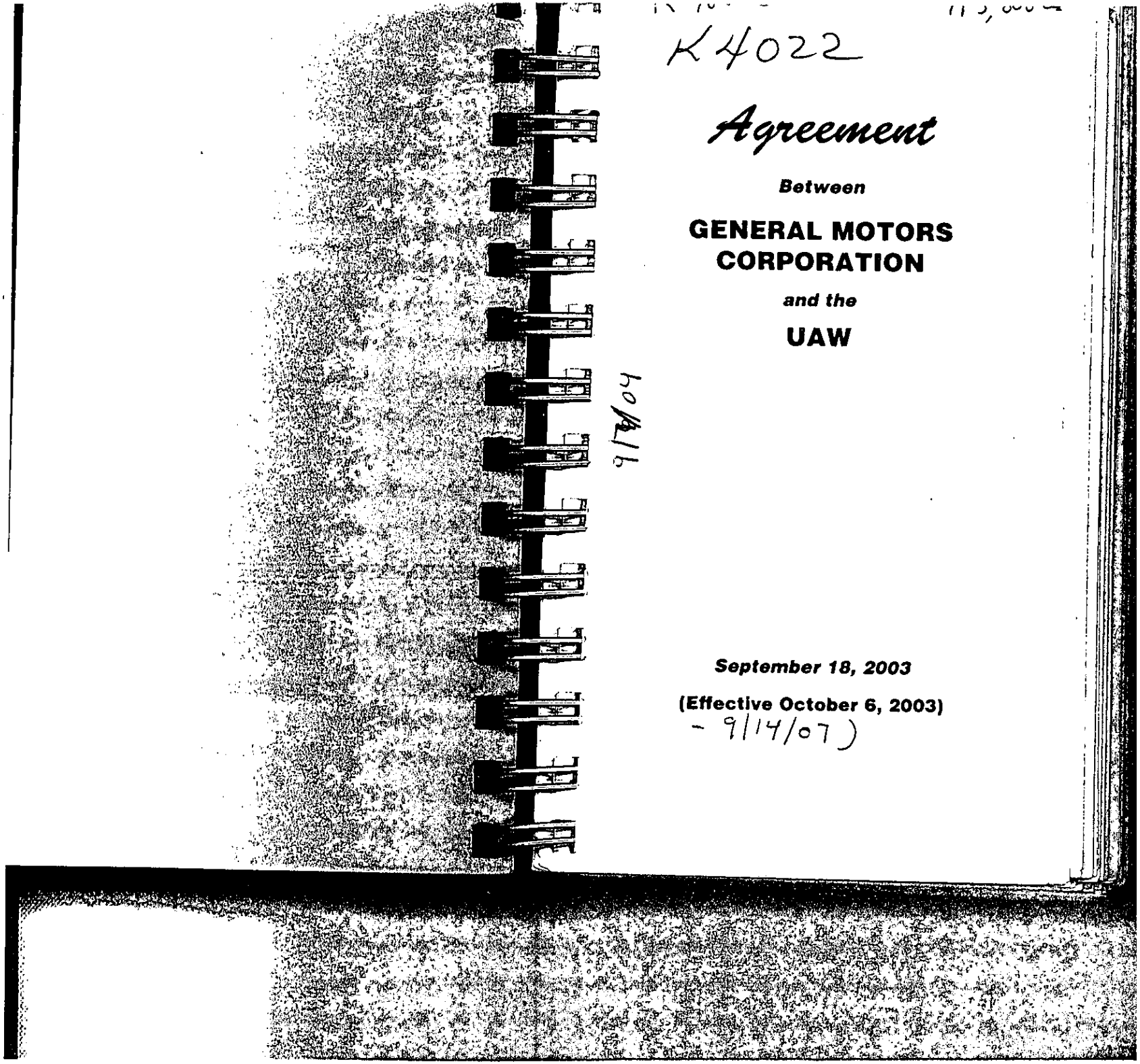
K4022
Agreement
Between
GENERAL MOTORS CORPORATION
and the
UAW
9/14/07
September 18, 2003
(Effective October 6, 2003)
- 9/14/07)

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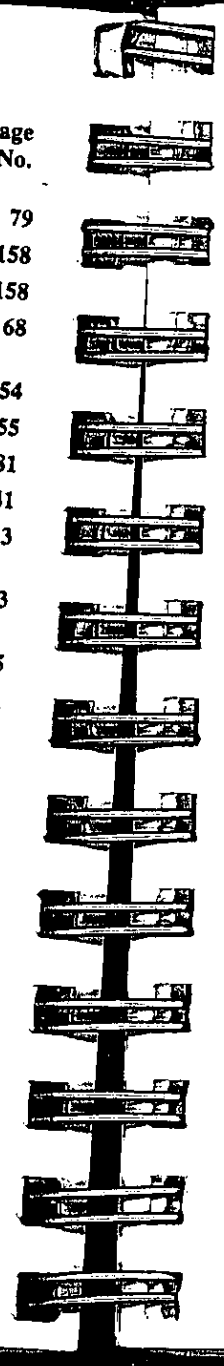

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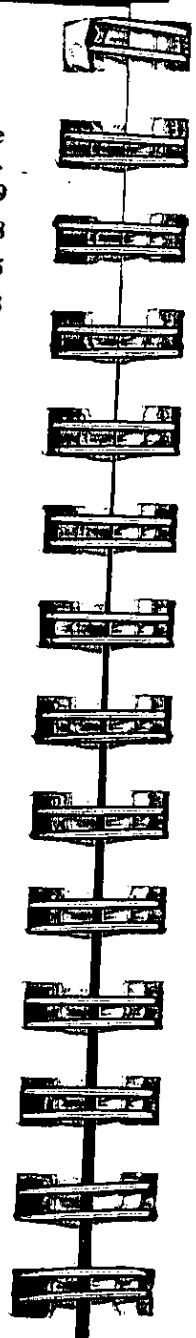

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INTERPRETATIONS, STATEMENTS, LETTERS AND THE MEMORANDUM OF UNDERSTANDING ON HEALTH AND SAFETY

(The following documents connected with the 2003 GM-UAW negotiations are not a part of the National Agreement but have been included in this booklet for information purposes.)

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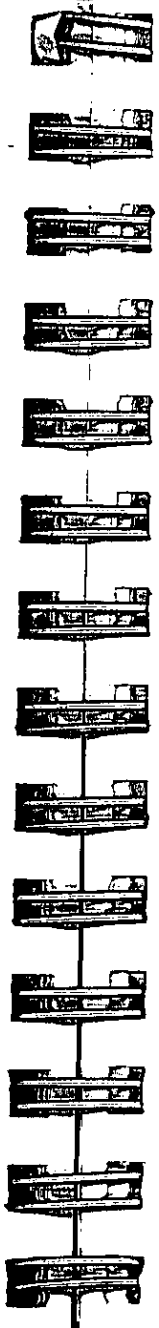

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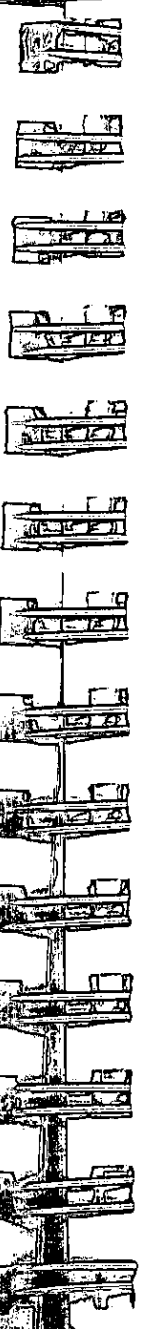
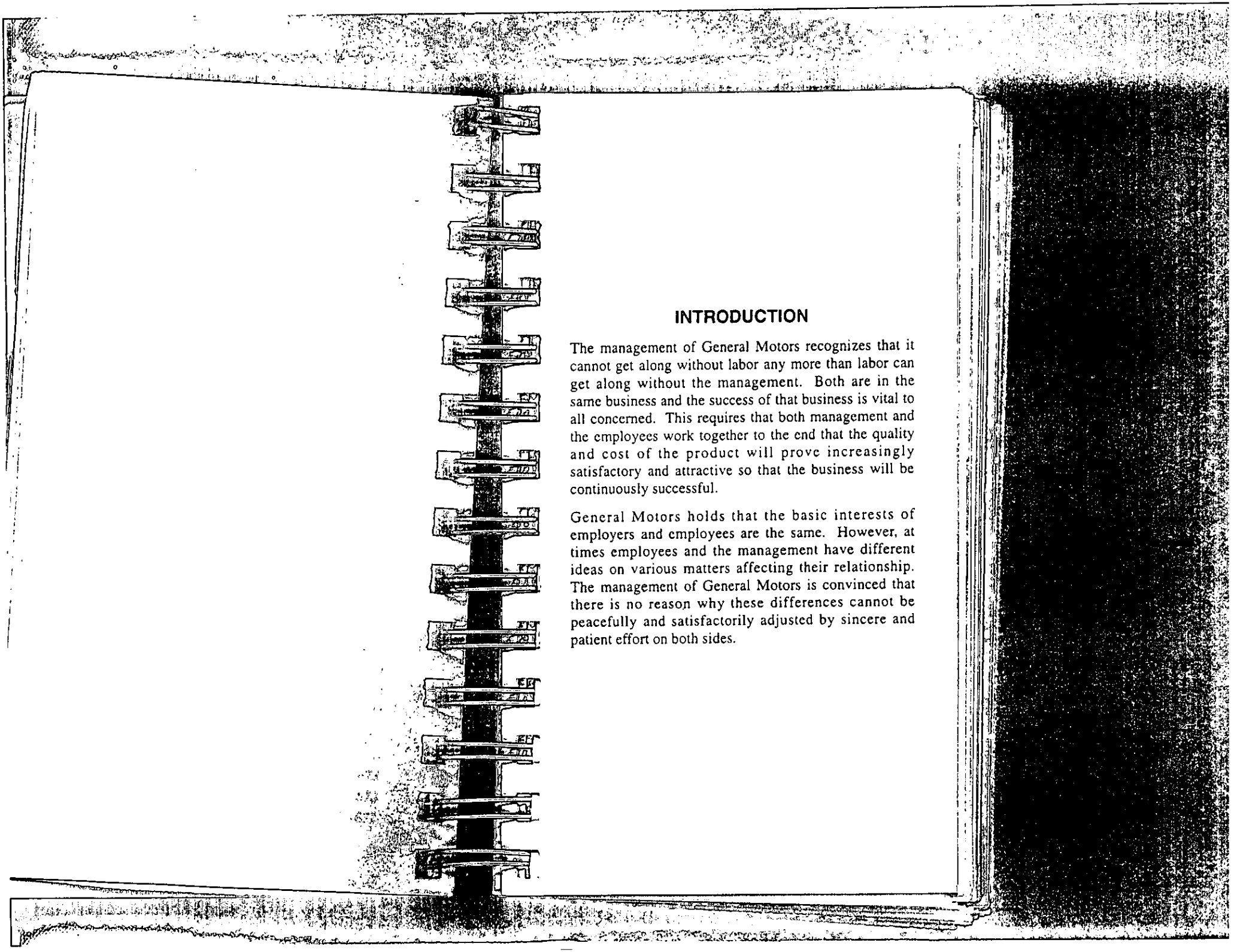
2003 GM-UAW CONTRACT SETTLEMENT AGREEMENT



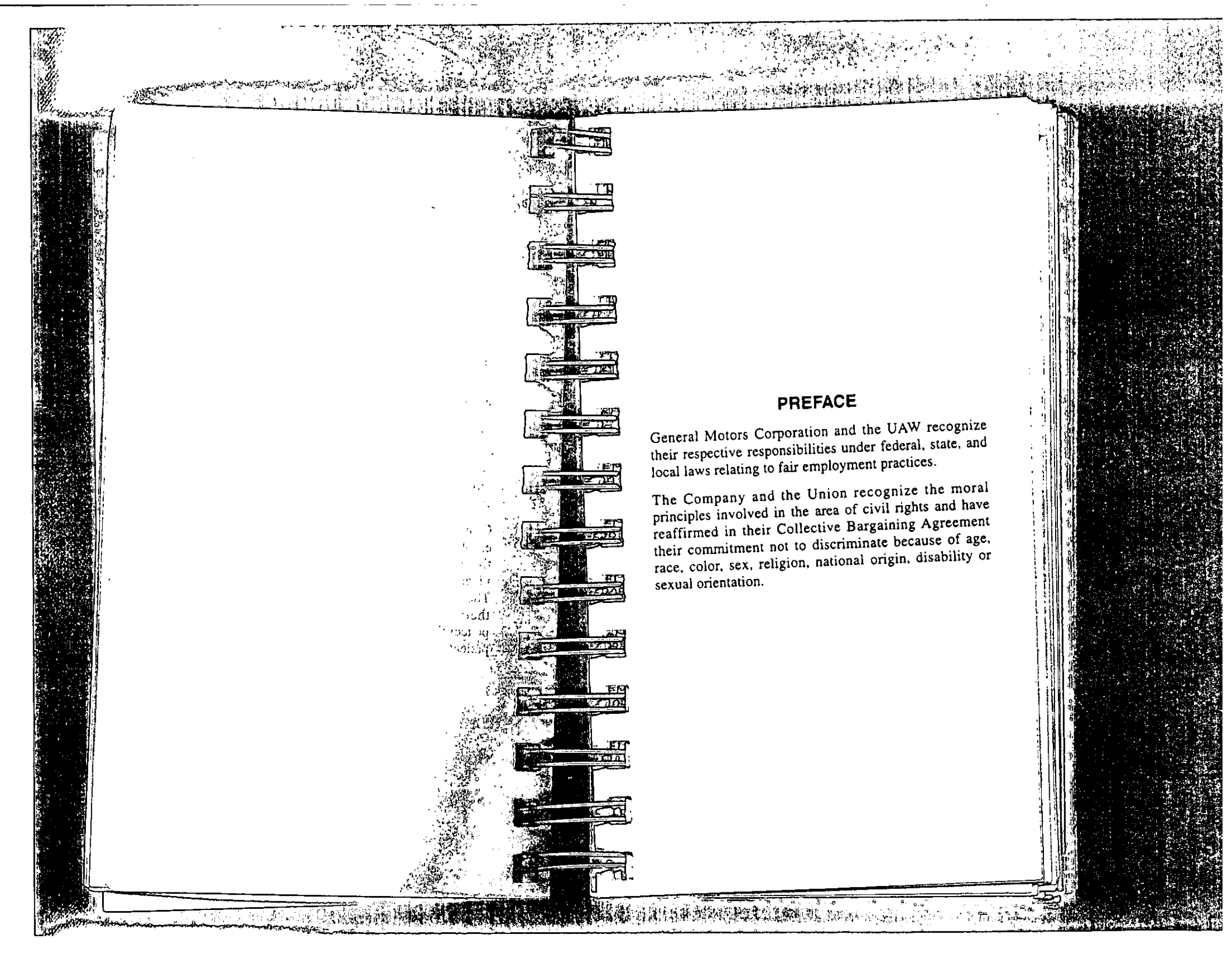
2003 GM-UAW CONTRACT SETTLEMENT AGREEMENT



INTRODUCTION

The management of General Motors recognizes that it cannot get along without labor any more than labor can get along without the management. Both are in the same business and the success of that business is vital to all concerned. This requires that both management and the employees work together to the end that the quality and cost of the product will prove increasingly satisfactory and attractive so that the business will be continuously successful.

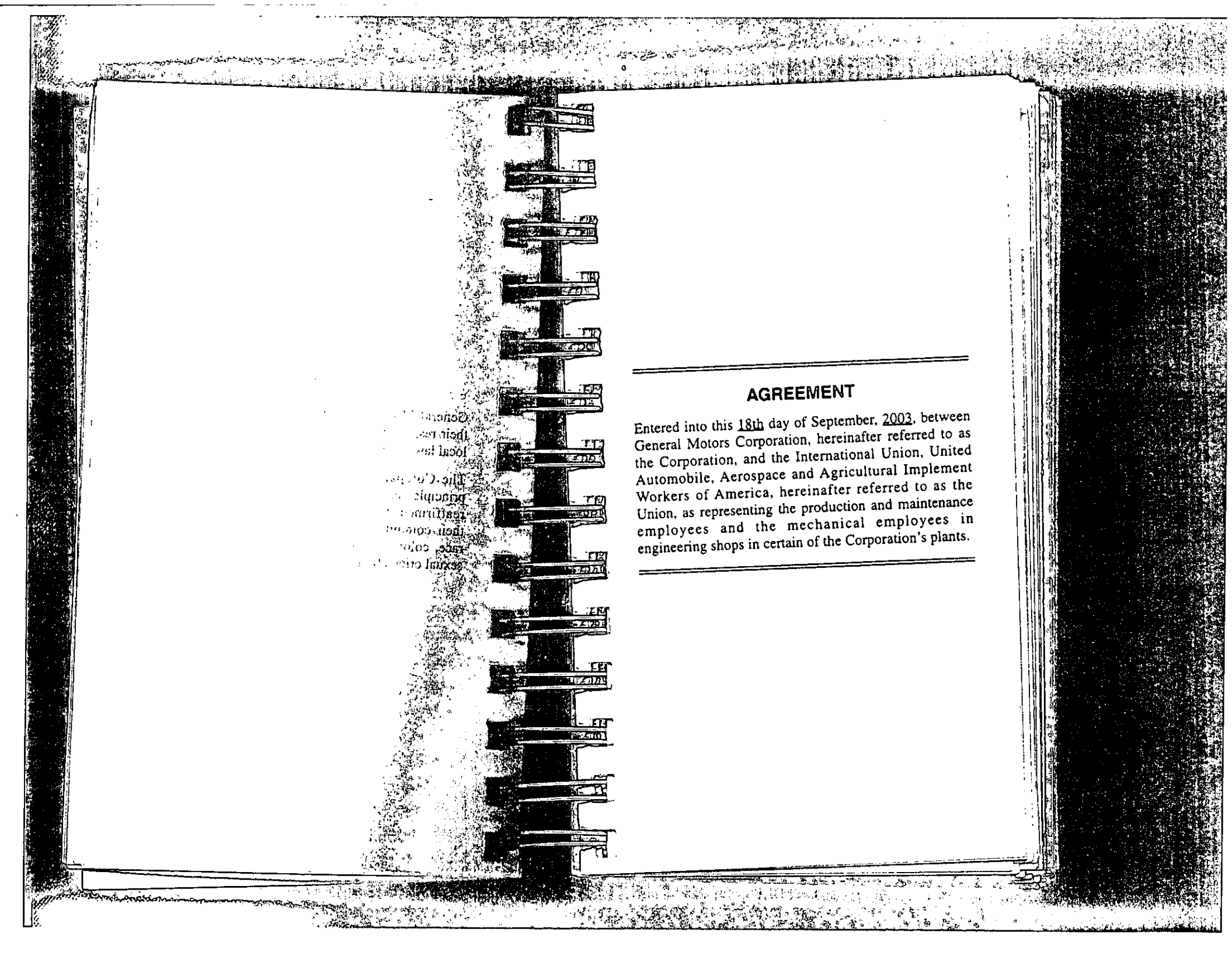
General Motors holds that the basic interests of employers and employees are the same. However, at times employees and the management have different ideas on various matters affecting their relationship. The management of General Motors is convinced that there is no reason why these differences cannot be peacefully and satisfactorily adjusted by sincere and patient effort on both sides.



PREFACE

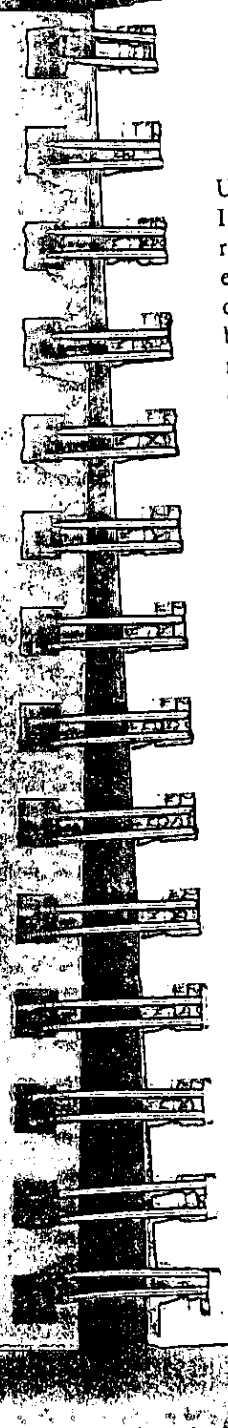
General Motors Corporation and the UAW recognize their respective responsibilities under federal, state, and local laws relating to fair employment practices.

The Company and the Union recognize the moral principles involved in the area of civil rights and have reaffirmed in their Collective Bargaining Agreement their commitment not to discriminate because of age, race, color, sex, religion, national origin, disability or sexual orientation.



AGREEMENT

Entered into this 18th day of September, 2003, between General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, as representing the production and maintenance employees and the mechanical employees in engineering shops in certain of the Corporation's plants.



RECOGNITION

(1) The Corporation recognizes the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, as the exclusive representative of the production and maintenance employees and mechanical employees in engineering department shops, except those listed in Paragraph (3) below for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, or other conditions of employment in the bargaining units in which they have been so certified, and in such other bargaining units as presently exist and in which the Union is recognized as collective bargaining representative, subject to and in accordance with the provisions of the Labor Management Relations Act of 1947 and applicable orders of the National Labor Relations Board.

(2) In case the UAW shall be certified as the bargaining representative for any additional bargaining units, or if recognition is extended without formal certification, the matter of including such unit under the terms of this Agreement shall be negotiated between the Industrial Relations Staff of the Corporation and the International Officers of the Union; it being understood that plants producing cars, trucks, bodies or automotive parts similar to the material now being produced by plants covered by this Agreement, shall be included after giving due consideration to any local wage classifications, rates, understandings or practices as may exist.

(2a) Separate agreements will be negotiated for bargaining units not falling into the above classifications.

(3) For the purposes of this Agreement the term "employee" shall include all production and maintenance employees and mechanical employees in

engineering department shops in the bargaining units covered hereby, except employees of sales, accounting, personnel and industrial relations departments, superintendents and assistant superintendents, general supervisors, supervisors and assistant supervisors, and all other persons working in a supervisory capacity including those having the right to hire or discharge and those whose duties include recommendations as to hiring or discharging (but not leaders), and those employees whose work is of a confidential nature, time study persons, plant protection employees (but not to include employees assigned to maintenance patrol or fire patrol duties), all clerical employees, chief engineers and shift operating engineers in power plants, designing (drawing board), production, estimating and planning engineers, draftspersons and detailers, physicists, chemists, metallurgists, artists, designer-artists and clay plaster modelers, timekeepers, technical school students, and those technical or professional employees who are receiving training, kitchen and cafeteria help.

Union Security and Check-Off of Union Membership Dues

(4) An employee who is a member of the Union at the time this Agreement becomes effective shall continue membership in the Union for the duration of this Agreement to the extent of paying an initiation fee and the membership dues uniformly required as a condition of acquiring or retaining membership in the Union.

(4a) An employee who is not a member of the Union at the time this Agreement becomes effective shall become a member of the Union within ten (10) days after the thirtieth (30th) day following the effective date of this Agreement or within ten (10) days after the thirtieth (30th) day following employment, whichever is later, and shall remain a member of the Union, to the extent of paying an initiation fee and the membership dues uniformly required as a condition of acquiring or retaining membership in the Union, whenever employed under, and for the duration of, this Agreement.

[See App. D]

(4b) Anything herein to the contrary notwithstanding, an employee shall not be required to become a member of, or continue membership in, the Union, as a condition of employment, if employed in any state which prohibits, or otherwise makes unlawful, membership in a labor organization as a condition of employment.

[See App. D]

(4c) The Union shall accept into membership each employee covered by this Agreement who tenders to the Union the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership in the Union.

[See App. D]

(4d) The Local Union will furnish Local Management, not later than fifteen (15) days prior to implementation of the automatic dues deduction system at any plant, the names of all members paying dues direct to the Local Union. Thereafter, the Local Union will advise Management, promptly, of any changes to this list.

[See Par. (4il),(4j),(4l),(4o),(4r)]

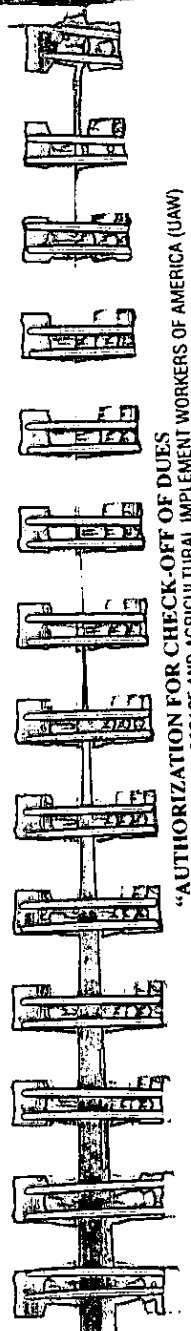
(4e) Any dispute arising as to the employee's membership in the Union shall be reviewed by a representative of local Management and the Chairperson of the local Shop Committee and/or the Financial Secretary, and if not resolved, may be decided by the Impartial Umpire.

(4f) "Member of the Union" as used in paragraphs (4) and (4a) above means any employee who holds membership in the Union. Such members shall not be more than thirty (30) days in arrears in the payment of membership dues.

(4g) Initiation fees for membership in the Union shall not exceed the maximum prescribed by the Constitution of the International Union at the time the employee becomes a member.

(4g1) In any state wherein Paragraphs (4) and (4a) of this Agreement cannot be made effective because of state law, an employee who is not a member of the Union at the time this Agreement becomes effective shall pay to the Union as a condition of continued employment, within ten (10) days after the thirtieth (30th) day following the effective date of this Agreement or within ten (10) days after the thirtieth (30th) day following employment, whichever is later, a sum equal to the Union's or local's initiation fee charged members and also a sum monthly which is equal to the monthly dues required of the Union's or local's members at each location, provided that such condition of continued employment is not prohibited by state law and, provided further, that such condition of continued employment continues to be lawful under the National Labor Relations Act, as amended.

(4g2) Any dispute which may arise as to whether or not an employee has paid the sum of money which is required to be paid as a condition of continued employment under Paragraph (4g1), shall be reviewed with the employee by a representative of the Local Union and a representative of Local Management. Should this review not dispose of the matter, the dispute may be referred to the Umpire whose decision shall be final and binding on the employee, the Union and the Corporation.



"AUTHORIZATION FOR CHECK-OFF OF DUES

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW)
DETROIT, MICHIGAN 48214

LAST NAME | FIRST INITIAL | MIDDLE INITIAL | SOCIAL SECURITY NO.

ADDRESS (NUMBER AND STREET) | PLANT

CITY | STATE | ZIP CODE

"To: General Motors Corporation

"I hereby assign to that Local Union of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), designated by the International Union to the Corporation, in writing, as having jurisdiction over the unit where I am employed, from any wages earned or to be earned by me as your employee, or from any Regular Benefits to be paid to me under the Supplemental Unemployment Benefit Plan, (in my present or in any future employment by you), such sums as the Financial Officer of said Local Union may certify as due and owing from me as membership dues, including an initiation or reinstatement fee and monthly dues in such sums as may be established from time to time as union dues in accordance with the Constitution of the International Union, UAW. I authorize and direct you or the Trustee of the GM-UAW Supplemental Unemployment Benefit Plan Fund, as the case may be, to deduct such amounts from my pay or from any Regular Benefits and to remit same to the Union at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect.

"This assignment, authorization and direction shall be irrevocable for the period of one (1) year from the date of delivery hereof to you, or until the termination of the collective agreement between the Company and the Union, whichever occurs sooner, and I agree and direct that this assignment, authorization and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective agreement between the Company and the Union, whichever shall be shorter, unless written notice is given by me to the Company and the Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year, or of each applicable collective agreement between the Company and the Union whichever occurs sooner.

"This authorization is made pursuant to the provisions of Section 302(c) of the Labor Management Relations Act of 1947 and otherwise."

(Applicant's Signature) _____

Date _____

(Witness) _____

(4h) During the life of this Agreement, the Corporation agrees to deduct from the pay of each employee, or notify the Trustee of the GM-UAW Supplemental Unemployment Benefit Plan Fund to deduct from each such employee's Regular Benefits, Union membership dues levied by the International Union or Local Union in accordance with the Constitution and By-Laws of the Union, provided that each such employee executes or has executed the following "Authorization for Check-Off of Dues" form; provided further however, that the Corporation will continue to deduct monthly membership dues from the pay of each employee for whom it has on file an unrevoked Authorization for Check-Off of Dues form.

[See Doc. 18]
[See CSA #6]

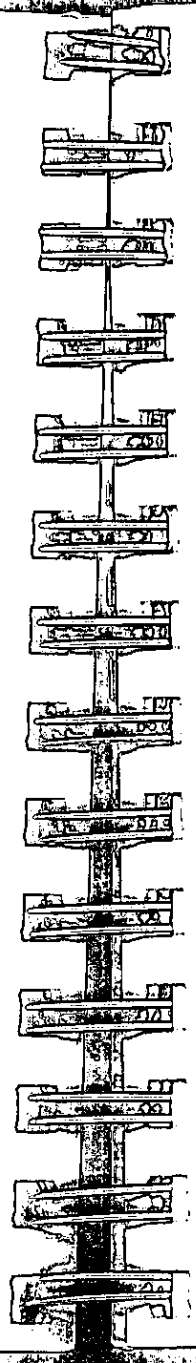
(4i) Deductions shall be made only in accordance with the provisions of said Authorization for Check-Off of Dues, together with the provisions of this Section of the Agreement.

(4i1) Once each month, the designated financial officer may submit to local management a list showing the name and social security number for each employee who is certified as owing an initiation fee and/or monthly dues, specifying the amount of the liability and the period to which any such monthly dues liability applies.

[See Par. (4d)]

(a) This list shall be dated and shall be submitted on or before the first Tuesday following the third pay day in the month.

(b) Such amounts will be deducted from the first pay received following the first payroll period ending in the next following calendar month provided the employee has sufficient net earnings to cover the liability.



(4j) A properly executed copy of such "Authorization for Check-Off of Dues" form for each employee for whom Union membership dues are to be deducted hereunder, shall be completed by the employee and submitted to the Local Management before any dues deductions are made, except as to employees whose authorizations have heretofore been delivered to Local Management. Deductions shall be made thereafter, only under the applicable Authorization for Check-Off of Dues forms which have been properly executed and are in effect. Local Management shall deliver to the Local Union an "Application for Membership" form for each employee for whom Union membership dues are to be deducted under the provisions of the Check-Off except as to employees whose authorizations have heretofore been delivered.

[See Par. (4d)]

(4k) Check-Off deductions under all properly executed Authorizations for Check-Off of Dues forms which have been delivered to the respective Local Managements on or before the effective date of this Agreement, shall begin with the first month following the effective date of this Agreement.

[See Doc. 18]
[See CSA #11]

(4l) The initial monthly dues deduction from the pay of an employee who completes an "Authorization for Check-Off of Dues" form shall be made from the second pay received by the employee following the date on which the authorization was executed. It shall be presumed that employees owe initiation fees, unless they had previously executed an "Authorization for Check-Off of Dues" form at that plant, and such initiation fees will be deducted simultaneously with the initial deduction as specified in this paragraph. Thereafter, the Union membership dues for each succeeding calendar month shall be deducted as follows:

[See Par. (4d)]

made from subsequent payrolls or from Regular Benefits paid during payroll periods that end in the calendar month shall be included with the remittance for the following month. Local Management shall furnish the designated financial officer of the Local Union, monthly, with the names, social security numbers, department numbers and clock numbers of those for whom deductions have been made, the amounts of the deductions and the amounts deducted, by employee and in total, respectively, for initiation fees, regular monthly dues, and S.U.B. dues. Regular monthly dues and S.U.B. dues shall be identified as to the period to which such deductions apply. This information should be furnished along with the dues remittance. The designated financial officer will be advised of the order in which the names will be listed and of any future changes in the order of the listing as far in advance as possible. The foregoing notwithstanding, deductions made on a declining balance basis, deductions of a past dues or initiation fee liability from a Regular Benefit and deductions from pay for a liability incurred more than six (6) months prior to the actual deduction date will not be identified to a specific deduction month.

[See Par. (4d),(4n)]
[See Doc. 18,19]

(4p) Any dispute which may arise as to whether or not an employee properly executed or properly revoked an Authorization for Check-Off of Dues form, shall be reviewed with the employee by a representative of the Local Union and a representative of Local Management. Should this review not dispose of the matter, the dispute may be referred to the Umpire, whose decision shall be final and binding on the employee, the Union and the Corporation. Until the matter is disposed of no further deductions shall be made.

[See Par. (4n)]

(4q) Neither the Corporation nor the Trustee of the GM-UAW Supplemental Unemployment Benefit Plan

Fund shall be liable to the International Union or its locals by reason of the requirements of this Section for the remittance or payment of any sum other than that constituting actual deductions made from employee wages earned or from Regular Benefits received.

[See Par. (4n)]
[See CSA #6]

(4r) In the event net earnings are sufficient to cover union membership dues for only one dues deduction month and an employee has a dues liability for more than one (1) month, the deduction will be for the current dues deduction month. In such situations membership dues for the past dues liability will be deducted from the next earnings received in that month or in a succeeding month in which the employee has sufficient net earnings to cover such union membership dues.

[See Par. (4d)]

(4s) In the event an employee receives a back pay settlement or award for any calendar month for which no dues deduction has been made, a deduction for each such month shall be made from such settlement or award.

[See Doc. 18]

(5) The purpose of this Agreement is to provide orderly collective bargaining relations between the Corporation and the Union, to secure a prompt and fair disposition of grievances, to eliminate interruptions of work and interference with the efficient operation of the Corporation's business.

[See Par. (19),(34)]
[See Doc. 5,44,45,48]

(5a) If either party at a particular location believes that the provisions of this Agreement are being administered in a manner inconsistent with orderly collective bargaining relations, the circumstances will be

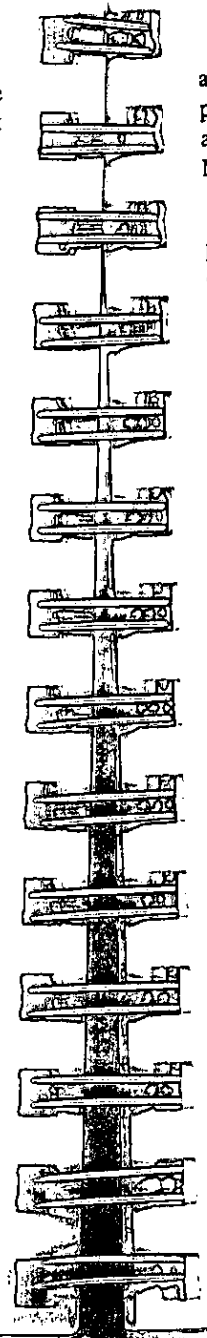
(a) The deduction for monthly dues will be made from the first pay received following the first payroll period ending in the calendar month. All payroll periods ending in a calendar month will constitute, in the aggregate, the dues deduction month. Regular monthly dues and past dues or initiation fees, if any, will be deducted provided the employee has sufficient net earnings to cover the deductions. In the event there are insufficient net earnings, the deductions will be made from the subsequent pay or Regular Benefit received by the employee that is sufficient to cover the deductions. Any liability will be carried forward until the employee has sufficient net earnings to cover the deduction or breaks seniority, whichever occurs first. However, deductions will only be made from Regular Benefits provided the employee has an applicable "Authorization for Check-Off of Dues" form in effect as of the date the deduction is made. In the event an employee has a past dues or initiation fee liability and receives a payment for the unused portion of Vacation Entitlement, such liability may be deducted from such payments.

(b) The dues deducted from an employee's earnings will be a sum equivalent to two (2) hours straight time pay and will be based upon the employee's hourly wage rate including cost of living allowance but excluding all other premiums for the job classification of record held by the employee during the pay period to which the deduction applies.

(c) ***This paragraph was deleted during 1993 National Negotiations.)***

(d) In the event of a retroactive change in an employee's job classification of record for the pay period in which dues have been deducted, there will be no retroactive adjustment in the check-off of Union membership dues.

(e) The amount deducted from an employee's pay pursuant to these provisions shall be in addition to



an amount which may be authorized by a Local Union pursuant to the Constitution and By-Laws of the Union and of which the Local Union has given notice to Local Management.

(f) In the event an employee does not receive a paycheck for a payroll period ending in a dues deduction month prior to the receipt of a Regular Benefit applicable to any such period, union dues in the amount of five dollars ($5.00) or such other amount as may be established as dues shall be deducted from the Regular Benefit, provided the employee has the applicable "Authorization for Check-Off of Dues" form in effect as of the date the deduction is made. In the event such an employee subsequently receives a paycheck for a payroll period ending in the same dues deduction month, the difference between the amount of union dues paid and the amount then owing will be deducted from such paycheck.

(4m) In the case of employees rehired, or returning to work after layoff or leave of absence, or being transferred back into the bargaining unit, who previously have properly executed Authorization for Check-Off of Dues forms, deductions will be made for membership dues as provided herein.

(4n) In cases where a deduction is made which duplicates a payment already made to the Union by an employee, or where a deduction is not in conformity with the provisions of the Union Constitution and By-Laws, refunds to the employee will be made by the Local Union.

[See Par. (4o),(4p),(4q)]

(4o) Dues deductions shall be remitted to the designated financial officer of the Local Union once each month as soon as available but no later than 10 days after the regular deduction date. Any deductions

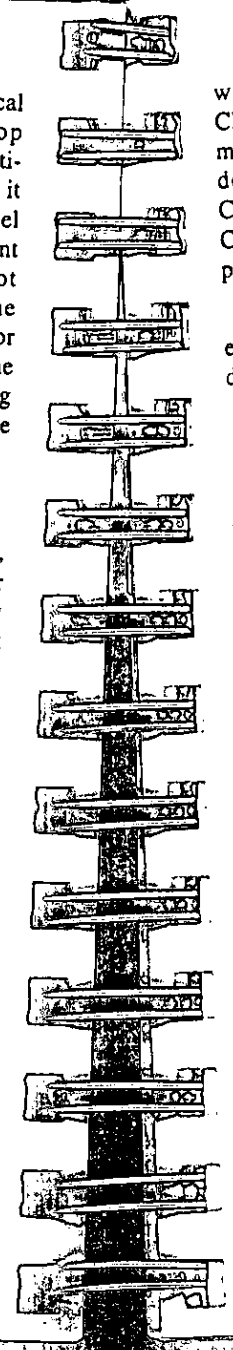
discussed between the designated representative of local Management and the Chairperson of the Shop Committee in an effort to resolve the problem. In multi-plant divisions, if the problem is not resolved locally, it will be reviewed by divisional Central Office personnel and a representative of the General Motors Department of the International Union. If the problem is not resolved after exhausting the above procedure, the Corporation's Vice President of Industrial Relations or the Director of the General Motors Department of the International Union may request, in writing, a meeting of their designated representatives to discuss the problem and take appropriate action.

[See Par. (88),(215)]
[See Doc. 79,95]

(6) The Corporation will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it by discrimination in respect to hire, tenure of employment or any term or condition of employment, attempt to discourage membership in the Union.

(6a) It is the policy of General Motors and the UAW that the provisions of this Agreement be applied to all employees covered by this Agreement without discrimination based on age, race, color, sex, religion, national origin, disability or sexual orientation as required by appropriate state and federal law. Any claims of violation of this policy, claims of sexual harassment or of any laws regarding discrimination or harassment on account of disability may be taken up as a grievance.

When a grievance containing a claim of violation of this paragraph is appealed to the Shop Committee the Chairperson of the Shop Committee may refer the claim to a designated member of the Civil Rights Committee of the Local Union for a factual investigation and report. Any such investigation will be conducted in accordance



with the provisions of Paragraph (33). Neither the Chairperson of the Civil Rights Committee, nor the member of the committee that the Chairperson may designate to investigate such a claim in the Chairperson's place, shall receive pay from the Corporation based solely upon any activity arising pursuant to this paragraph.

The grievance and arbitration procedure shall be the exclusive contractual procedure for remedying such discrimination claims.

[See Par. (37)]
[See App. H]
[See Doc. 30,31,32,33,99,107,121]

(7) The Union agrees that neither the Union nor its members will intimidate or coerce employees in respect to their right to work or in respect to Union activity or membership, and further that there shall be no solicitation of employees for Union membership or dues during working time. The Union further agrees that the Corporation shall take disciplinary action for any violations of this provision.

(8) The right to hire; promote; discharge or discipline for cause; and to maintain discipline and efficiency of employees, is the sole responsibility of the Corporation except that Union members shall not be discriminated against as such. In addition, the products to be manufactured, the location of the plants, the schedules of production, the methods, processes and means of manufacturing are solely and exclusively the responsibility of the Corporation.

REPRESENTATION

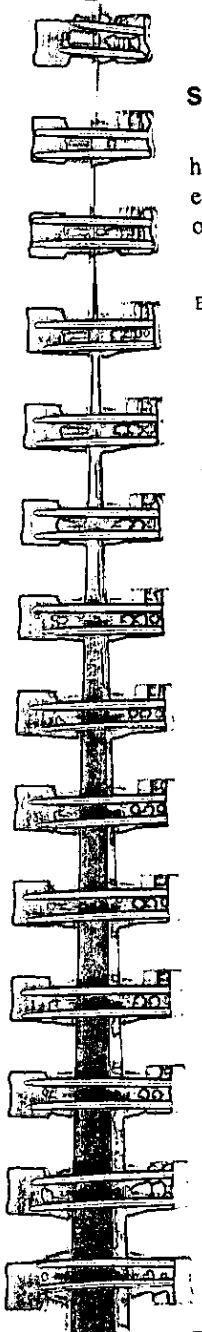
(9) The Union shall be represented in each bargaining unit as follows:

In the ratio of not to exceed one district committeeperson for each two hundred and fifty

employees covered by this Agreement except that in plants of five hundred or less employees there may be three committeepersons; in plants of five hundred to one thousand employees there may be five committeepersons; in plants of one thousand to fifteen hundred there may be seven committeepersons. Any deviation from these rules to cover special conditions in any plant will be negotiated between the Corporation and the International Officers of the Union.

District Committeepersons

(10) Each bargaining unit will be districted by agreement between the local Plant Management and the Shop Committee so that insofar as practicable each district on each shift shall contain approximately two hundred and fifty employees. Each committeeperson shall have a definitely defined district. The members of the Union in each such district shall select a committeeperson who is working in that district to represent the employees in that district. An alternate district committeeperson in each district, whose duties shall be the same as those of the regular district committeeperson for that district while the regular committeeperson is absent from the plant, may be selected by the members of the Union. The total number of employees receiving a regular payroll check for work performed (plus employees who did not receive a regular payroll check who are on an approved vacation or leave of absence pursuant to Paragraphs 103 and 109 - short term) during a week representative of normal operations, mutually selected by the Plant Management and Shop Committee, will be the number used for redistricting. Plants shall be redistricted not more frequently than at six-month intervals, upon request of either the Plant Management or Shop Committee, when there is a change in the number of employees equal to two hundred and fifty or five percent, whichever is greater. Thereafter, redistricting shall be accomplished within twenty working days of such request.



Shop Committees

(11) The Shop Committees in the plants covered hereby shall be as follows, except in plants up to 5000 employees the Union has the option of selecting plan A or plan B where applicable:

Employment In Plant		Number Districts in Plant	Shop Committee Consists of: District Committeepersons	Shop Committeepersons at Large	Total Shop Committeepersons
Up to 51		2	2	0	2
51 to 500	*Plan A*	3	3	0	3
	Plan B	2	2	1	3
500 to 1000	*Plan A*	5	5	0	5
	Plan B	4	4	1	5
1000 to 1500	*Plan A*	7	7	0	7
	Plan B	6	6	1	7
1500 to 2500	*Plan A*	6 to 10	7	0	7
	Plan B	6 to 10	5	2	7
2500 to 3500	*Plan A*	10 to 14	5	2	7
	Plan B	10 to 14	4	3	7
3500 to 5000	*Plan A*	14 to 20	4	3	7
	Plan B	14 to 20	3	4	7
5000 to 7000		20 to 28	0	7	7
7001 to 9250		29 to 37	0	8	8
9251 to 10,500		38 to 42	0	9	9
10,501 to 11,750		43 to 47	0	10	10
11,751 to 13,000		48 to 52	0	11	11
13,001 and up		53 & over	0	12	12

(12) In plants in which one or more members of the Shop Committee is elected at large, one of such members shall be the Chairperson of the Shop Committee.

(13) Each member of the Shop Committee elected at large shall have a definitely defined zone as may be agreed upon between the Shop Committee and the Plant Management. Where the Chairperson of the Shop Committee is elected at large, the entire plant shall constitute the Chairperson's zone. In the event a committeeperson is requested in a district at a time when both the district committeeperson and the alternate are absent from the plant, the zone committeeperson for

the zone in which such district is located will be called to handle the complaint. In the event the zone committeeperson is also absent from the plant, the Chairperson of the Shop Committee will be called.

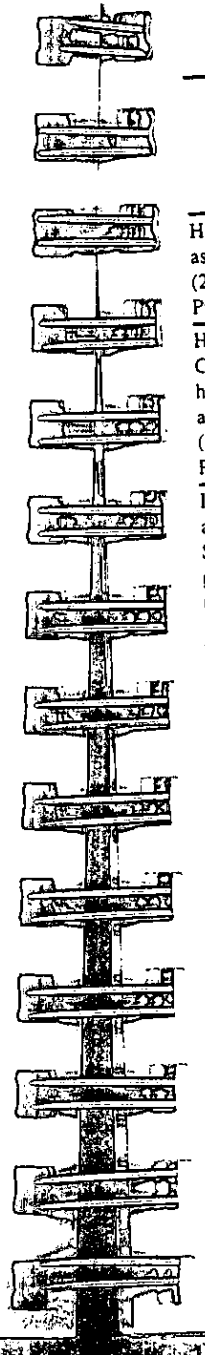
(14) In the larger plants, by agreement between the Plant Management and Shop Committee, a subcommittee made up of not less than two nor more than six of the district committeepersons in a subdivision of the plant may be formed to meet with the representatives of Management in charge of such plant subdivision. A member of the Shop Committee for that zone may participate in such meeting. Grievances not settled by them may be referred to the Shop Committee as a whole for appeal to highest local Plant Management.

Meetings of Shop Committees

(15) Each plant shall have a regularly scheduled meeting between representatives of the Local Management and the Shop Committee weekly, unless otherwise agreed between the Local Management and the Shop Committee to extend the time between meetings, at a time to be mutually agreed upon between the Committee and the Local Management. Emergency meetings will be arranged by mutual agreement. Regularly scheduled meetings should not be cancelled or rescheduled except where necessary.

Employment and Job Status of Committeepersons (District, Zone, and Chairpersons of Shop Committees)

(16) Committeepersons will be employed as full-time Union representatives during their scheduled working hours. They will function for the purpose of adjusting grievances in accordance with the Grievance Procedure and for other legitimate representation functions. Committeepersons will carry out their duties and functions as Union representatives in accordance with the chart set out below:



Purpose	District Committeepersons	Members of Shop Committee		
		Who are also District Committeepersons	Who are not District Committee persons	Chairpersons of Shop Committees
Handle Grievances as provided in Par. (29) of Grievance Procedure	In their respective districts	In their respective districts	None	None
Handle Appealed Grievances with higher supervision as provided in Par. (30) of Grievance Procedure	According to agreed local practice			
Investigate Grievances Appealed to Shop Committee as provided in Par. (33) of Grievance Procedure	None	In any district	In any district (1)	In any district
Meetings with Management	None	On Meeting Days (4)		
Handle other legitimate representation functions. (2)	In their respective districts	In their respective districts	In their respective zones (3)	In any district or zone

(1) As a general rule, such committeepersons will not be assigned to investigate appealed grievances in zones other than their own.

(2) Other legitimate representation functions are defined as normal in-plant activities pertaining to the administration of the National Agreement and written local agreements including, but not limited to, participation in joint programs such as health and safety programs, product quality initiatives, skill development activities, etc.; and, provided such activities do not interfere with the work of other employees, supervision or the efficiency of operations.

(3) Or in another zone when designated by the Chairperson if the regular Zone Committeeperson for that Zone is absent from the plant.

(4) Shop Committeepersons attending Management-Shop Committee meetings on shifts other than their regular shift will be paid for time spent in such meetings, with the understanding that their total hours paid for the day in question will not exceed their regularly scheduled shift hours for that day and such changes in shift hours for this purpose will not result in the payment of overtime premium [pursuant to Paragraph (85)(a)]. It is further understood that the above will not result in any increase in representation being furnished as a result of the Zone Committeepersons not working a full shift on their regular shift.

[See App. I]

(17) Individuals shall not be eligible to serve as committeepersons unless they are employees and until their names have been placed on the seniority list and they are working in the plant.

[See Par (23a)]
[See App. I]
[See Doc. 7]

(18) It is mutually agreed that the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management.

[See Par. (5),(34)]
[See App. I]
[See Doc. 5,44,45,48]

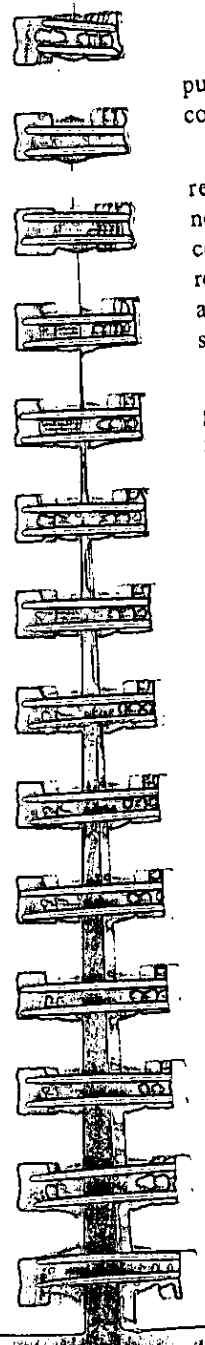
(19) The prompt and fair disposition of grievances involves important and equal obligations and responsibilities, both joint and independent, on the part of representatives of each party to protect and preserve the grievance procedure as an orderly means of resolving legitimate grievances.

Committeepersons acting properly in their official capacity should be free from orders by supervision which, if carried out, would impair the orderly investigation and presentation of grievances. Actions which tend to impair or weaken the grievance procedure, whenever they occur or in whatever manner or form, are improper.

Committeepersons have a responsibility to the Union and the employees they represent to conduct themselves in a businesslike manner and shall conform to the shop rules. The normal standard of conduct applicable to all employees shall be applied to committeepersons.

[See Par. (5)]
[See Doc. 7,44,45]

(20) Upon entering a department in the fulfillment of their duties, committeepersons shall notify the supervisor of that department of their presence and



purpose or give the supervisor a copy of the written complaint if one has not already been provided.

(20a) In the event an employee requests representation under Paragraph 29 prior to being notified of a temporary transfer to another district, the committeeperson for the employee's regular district may respond to the request, providing the districts involved are in reasonable proximity and there is no change of shift.

(21) For the purposes of representation in handling grievances and performing other legitimate representation functions as provided herein, committeepersons will be scheduled to report at the plant as follows:

1. All regular hours up to eight that their district or zone is scheduled to operate, on their respective shifts.

2. Other than regular hours (including overtime, part time or temporary layoffs, shutdown for model change, inventory or plant rearrangement) when ten (10) or more of the people they normally represent are working in their district or zone on their respective shift. Employees on continuous seven-day operations or operations manned by rotating or alternating shifts will not be considered in applying this provision.

When district committeepersons who would be scheduled to report during overtime hours, as provided herein, advise Management in advance that they will be absent during such hours, Management will schedule the alternate committeepersons for those districts to report. If committeepersons have been scheduled to report and fail to inform Management that they will not be at work, Management will not be responsible for calling the alternate committeeperson.

[See Doc. 7]

(21a) The shift starting and ending time for committeepersons will be the starting and ending time of the majority of the employees they represent. The provisions of this Representation Section do not require that Committeepersons be called earlier than their regular starting times because some employees in their districts start work earlier than their starting times or be given overtime when some employees in their districts start and quit later than their regular shift hours.

[See Doc. 7]

(21b) Any problem arising under or not covered by the above provisions, including representation for shifts comprising fewer than 250 employees, shall be subject to local negotiations with the Plant Management, with the right of appeal under the Grievance Procedure. If the problem is not resolved through local negotiations, it may be raised by the General Motors Department of the International Union directly with the Corporation's Labor Relations Staff.

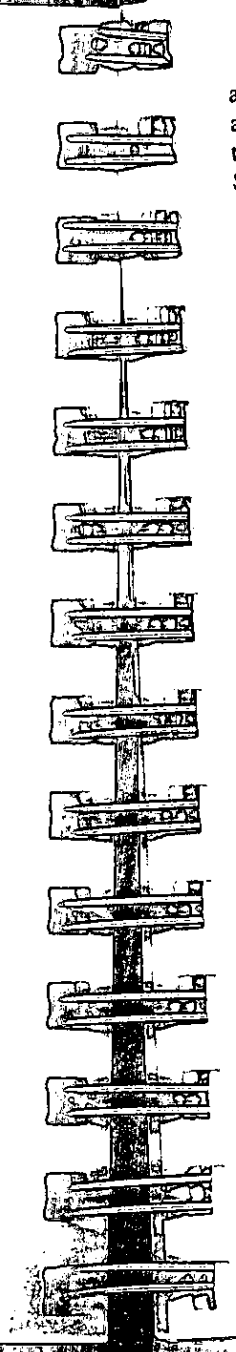
(21c) In the event of a reduction in force:

Committeepersons (including Chairpersons of Shop Committees, Zone and District Committeepersons) shall be retained regardless of seniority as long as any employees whom they represent are retained at work in their district or zone.

Alternate committeepersons shall, at the point they would be subject to being removed from their respective district, be retained on a job they can do that is operating in their district. If after complying with all of the terms of this Agreement, alternate committeepersons are laid off, they will be the first to be recalled in their regular groups when work starts in those groups on their own jobs or on other jobs in their districts that they can do.

[See Doc. 7]

(22) Committeepersons shall enter and remain in the plant only on their respective shifts unless otherwise



agreed to by the Plant Management. They shall be paid at their regular rate for the time spent in the plant on their respective shifts as provided in this Representation Section.

[See App. I]
[See Doc. 7]

(22a) Committeepersons shall establish a regular rate equal to their regular straight time hourly rate, as of the time they assumed their duties as Committeepersons.

This rate shall be adjusted in accordance with any adjustments made in the rate for the classification the Committeeperson then held.

When provisions of the Local Seniority Agreement entitle committeepersons to return to their former groups on higher rated jobs, their rates will be adjusted in accordance with such provisions. Also Committeepersons are eligible for promotion to higher rated jobs in their District or Zone in accordance with Paragraphs (63) (a) (1), (63) (a) (2) or (63) (b) provided they are the most senior applicant and they are capable of doing the job.

[See Doc. 7]

(22b) All Committeepersons shall ring in and out, or otherwise account for their time, in the manner required by the Local Management. Problems regarding the administration of this provision may be referred directly to the General Motors Department of the International Union and the NAO Industrial Relations Staff for resolution.

[See Doc. 7]

Job Status - Local Union Officials

(23) The President, one Vice-President, the Local Union Benefit Representative(s), the two union Local Apprentice Committee members and the Local Joint Programs Representatives provided for in Document

No. 46 shall, at the point where they would be subject to layoff from the plant in a reduction in force, be retained at work in the plant regardless of their seniority, provided they can do a job that is operating. This will not apply in cases of temporary layoffs for model change, inventory, material shortages, machine breakdowns, etc.

[See Doc. 7.46]

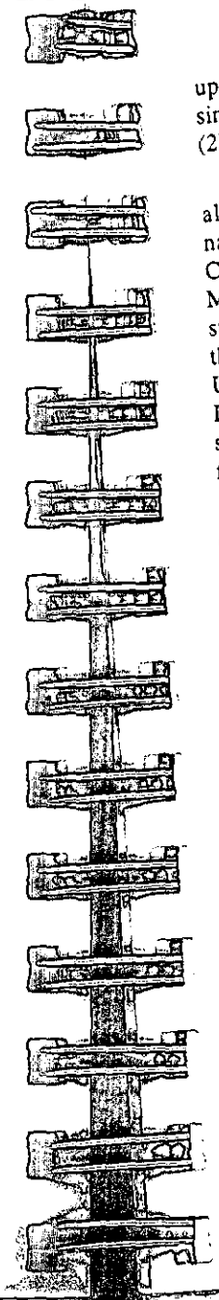
(23a) While on leave of absence, no employee shall serve as a committeeperson.

[See Par. (17)]
[See Doc. 7]

(24) Committeepersons shall be governed by the local plant rules regarding employees entering and leaving the plant. However, members of the Shop Committee and local Union Presidents may leave the plant on Union business when arrangements are made as far in advance as possible with the Plant Management by the President of the Local Union, Chairperson of the Shop Committee or International Representative.

[See Doc. 7.77]

(24a) Chairpersons of Shop Committees in plants employing 500 or more employees will be permitted to leave the plant in accordance with Paragraph (24) and will be paid their regular rates for up to six (6) hours per day Monday through Friday while they are out of the plant in the performance of legitimate representation functions during straight time hours when they would otherwise be entitled to be in the plant for representation purposes. They shall notify the designated Management representative, if available, when leaving and returning to the plant during working hours. Chairpersons of Shop Committees in plants employing less than 500 employees will be permitted to leave the plant in accordance with the above and will be paid their regular rate for up to twenty (20) hours per week, which will be a reservoir available at the start of the week, to be drawn



upon during the week Monday through Friday. Any single period of absence must be for a minimum of two (2) or a maximum of six (6) hours.

(25) The names of the committeepersons and alternate committeepersons in each district and the names of the committeepersons constituting the Shop Committee shall be given in writing to the Local Management. No committeepersons shall function as such until the Local Management has been advised of their selection, in writing, by the officers of the Local Union, Chairperson of the Shop Committee, or an International Officer. Any changes in committeepersons shall be reported to the Local Management in writing as far in advance as possible.

(26) International Executive Officers of the Union, or their representatives, duly authorized to represent the International Union at Shop Committee meetings, or the President of the Local Union if not employed in the plant, will be permitted to attend meetings between the Shop Committee and the Management of any plant. Presidents of Local Unions who work in the plant and are not Shop Committeepersons may attend Shop Committee meetings in that plant and will be paid their regular rates for time spent in such meetings for the hours they would otherwise have worked in the plant. The Plant Manager, or designated representative, shall not be requested to meet with more than two such representatives, whose names must have been submitted previously to the Corporation and who must be prepared to show proper credentials. Written request will be given to Plant Management at least twenty-four (24) hours before each meeting in all cases covered by this paragraph.

(27) Committeepersons having individual grievances in connection with their own work may ask for a member of the Shop Committee to assist them in adjusting the grievance with their respective supervisors.

[See Doc. 7]

GRIEVANCE PROCEDURE

Step One. Presentation of Grievance to Supervisor

(28) Any employee having a grievance, or one designated member of a group having a grievance, should first take the grievance up with the supervisor who will attempt to adjust it.

[See Par. (224)]

(29) Any employee may request the supervisor to call the committeeperson for that district to handle a specified grievance with the supervisor. The supervisor will send for the committeeperson without undue delay and without further discussion of the grievance.

[See Par. (20a)]
[See App. I]
[See Doc. 5;7-Sec.IV]

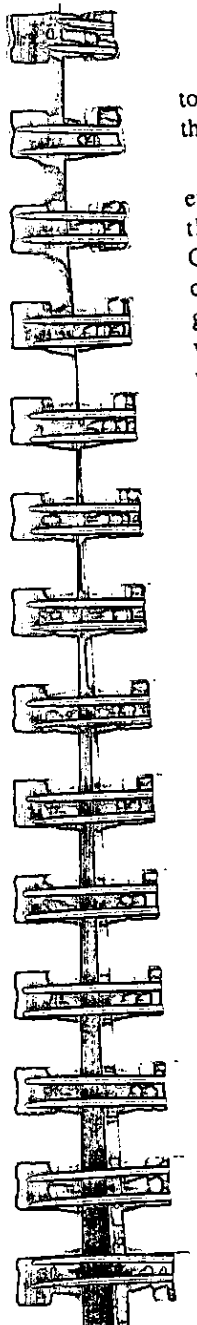
(30) If the grievance is not adjusted by the supervisor, it shall be reduced to writing on forms provided by the Corporation, and signed by the employee involved and one copy shall be given to the supervisor. The committeeperson shall then take the grievance up with higher supervision with or without another committeeperson, according to the agreed local practice.

[See Par. (77)]
[See App. I]

Step Two. Appeal to Shop Committee

(31) If the case is not adjusted at this step, it may be referred to the Shop Committee (or sub-committee where established).

(32) In plants in which sub-committees are established, cases not adjusted by the sub-committee and the representative of Management may be appealed



to the Shop Committee as a whole to be taken up with the highest Local Management.

(33) After a written grievance signed by the employee making the complaint has been appealed to the Shop Committee by a committeeperson, the Chairperson of the Shop Committee may designate one of its members to make a further investigation of the grievance in order to discuss the grievance properly when it is taken up by the Shop Committee at a meeting with the Management. After a grievance has been discussed at the Shop Committee Meeting and before the submission of Notice of Unadjusted Grievance, the designated Shop Committeeperson may reinvestigate the grievance in the light of any new facts disclosed in the Shop Committee Meeting or appearing in the Shop Committee Minutes.

[See Par. (6a),(79d),(125)]
[See App. K,IV(C)(12)]

(34) A final decision on appealed grievances will be given by a representative of the highest Local Management within a maximum of fifteen working days from the date of first written filing thereof unless a different time limit is established by local agreement in writing. Any grievance not appealed from a decision at one step of this procedure in the plant to the next step within five working days of such decision, shall be considered settled on the basis of the last decision and not subject to further appeal. However, in plants where there are less than twenty-five hundred employees, the Shop Committee may, upon notifying the Plant Management in writing, substitute a ten (10) day period for the fifteen (15) day period and a three (3) day period for the five (5) day period. Provided further, however, that within the applicable time limits of this Paragraph a grievance may be withdrawn by mutual agreement without prejudice to either party.

[See Par. (5),(19)]
[See Doc. 44,45]

(35) Written answers will be given by the Management to all written grievances presented by the Shop Committee.

(36) The question of supplying minutes of the Shop Committee meetings with the Management to the Shop Committee and the form of such minutes is a matter to be negotiated with the Management of each plant by the Committee involved. In the interest of expediting orderly procedure, it is desirable for the Chairperson of the Shop Committee to furnish Management with an agenda of the matters, including a listing of grievances the Union desires to discuss at the meeting. The agenda if submitted should be furnished as far in advance of the meeting as possible. Such an agenda would not preclude discussion of other pertinent subjects. The minutes of Shop Committee meetings will be furnished to the Chairperson of the Shop Committee within six (6) calendar days from the date of the meeting.

Such minutes should include:

(1) Date of meeting.

(2) Names of those present.

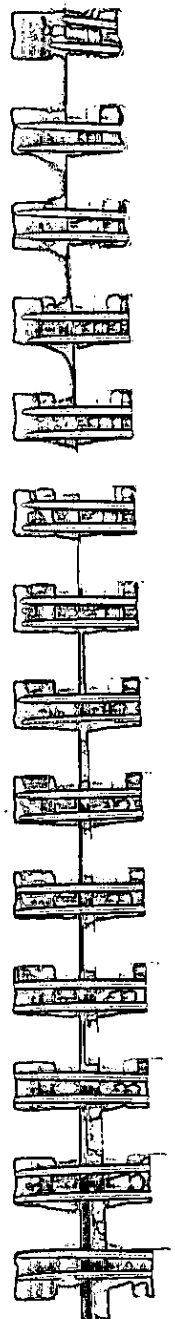
(3) Statement of each grievance taken up and discussed, also, in summary fashion, of the Union's contention or, at its option, a written contention, in the event of failure to adjust.

(4) Management's written answer on each grievance, with reason for same if answer is adverse.

(5) "Highlights" of the meeting, these including specific questions asked by the Committee on policy matters and any answers to such questions given by Management.

(6) Date of approval, and signatures as agreed upon locally.

The above provisions shall not interfere with any mutually satisfactory local practice now in effect.



Step Three. Appeal to Corporation and International Union

(37) If the grievance is not adjusted at this step and the Shop Committee believes it has grounds for appeal from the Plant Management decision, the Chairperson of the Shop Committee will give the Plant Management a written "Notice of Unadjusted Grievance," on forms supplied by the Corporation, and the Chairperson or designated member of the Shop Committee will then prepare a complete "Statement of Unadjusted Grievance," signed by the Chairperson of the Shop Committee, setting forth all facts and circumstances surrounding the grievance, and where an alleged violation of Paragraph (6a) is included in the grievance, a statement of the facts and circumstances supporting such claim. The Plant Manager, or a designated Management representative, will also prepare a complete "Statement of Unadjusted Grievance" and the Management's reason in support of the position taken, signed by the Plant Manager or an authorized Management representative. Three copies of the Union's statement will be exchanged with the Management for three copies of the Management's statement as soon as possible and in any event within five (5) working days of the date of filing the Notice of Unadjusted Grievance. The exchange of statements shall take place fifteen (15) working days after receipt of the Plant Management's decision, unless this time is extended by mutual agreement in writing, in which event the thirty days for appeal by the Regional Director as provided in Paragraph (38) shall be automatically extended by the same number of days as the amount of extended time for exchanging "Statements of Unadjusted Grievance." Each Shop Committee shall consecutively number each "Statement of Unadjusted Grievance" from one upward for identification purposes.

[See Par. (6a),(77),(79e)]

(38) The Chairperson of the Shop Committee shall then forward copies of the "Statements of Unadjusted Grievance," to the Regional Director of the International Union. The Regional Director will review the case and determine if an appeal shall be made. The Regional Director or a specified representative and the Director of the General Motors Department of the International Union or a specified member of the Director's staff will be granted permission to visit the plant for the purpose of investigating the specific grievance involved in "Statements of Unadjusted Grievance," providing such a grievance is of the nature that observation or investigation will aid in:

[See Par. (43a),(77),(79e)]
[See Doc. 52]

(1) Arriving at a decision as to whether or not a grievance exists;

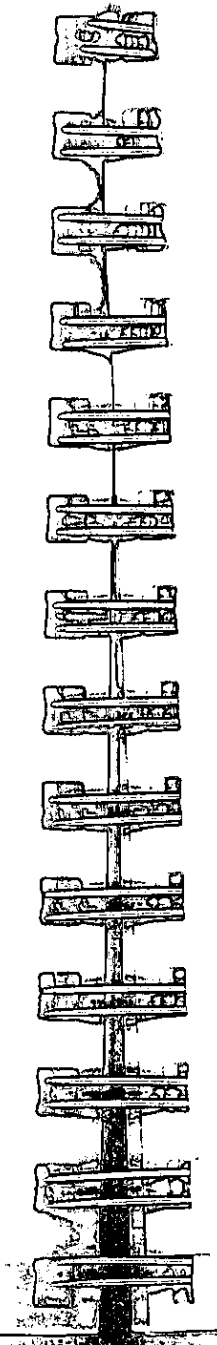
(2) Arriving at a decision as to whether or not such grievance shall be appealed;

(3) The purpose of its proper presentation in the event of appeal.

Such visits will occur only after the following procedure has been complied with:

(a) The names of the individuals who will be permitted to enter the plant must be submitted in writing to Local Management previous to the date such entry is requested. Such names will be submitted to the Corporation by the General Motors Department of the International Union.

(b) The Regional Director shall give notice in writing to Plant Management of the request for entry and will identify the representative designated to make the visit and the specific grievance to be investigated. In the case of the Director of the General Motors Department or a specified member of the Director's staff, notice may be given either verbally or in writing.



(c) Plant Management will acknowledge receipt of the request and set a time during regular working hours which is mutually agreeable for such visit.

(d) A member of the Shop Committee or a district committeeperson may accompany the Union representative during such visit if their presence is requested. Management representatives may accompany the Union representatives during such visit.

(e) Only one such visit on a specified grievance shall be made by the Regional Director, or specified representative, unless otherwise mutually agreed to.

(f) Such visits shall be restricted to the time mutually agreed upon in Point (c) above and shall be of reasonable duration and shall be subject to all plant rules and regulations which apply to employees and all regulations made by the United States Army, Navy and Federal Bureau of Investigation.

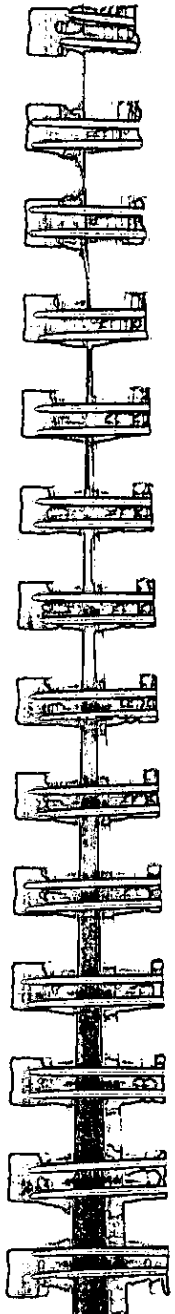
It is mutually agreed that the purpose of this provision is solely to facilitate the operation of the grievance procedure, and that the Union representative shall confine such a visit to its stated purpose. If it is necessary the Union representative may interview the employee or employees signing the grievance and employees in the bargaining unit who have information relevant to the case. Such interview shall be a private interview when requested by the Union Representative and a suitable place will be provided.

Any dispute developing out of the application of these provisions may be finally determined by the Umpire.

If the Regional Director shall decide to appeal the case, notice shall be given on the form "Notice of Appeal" supplied by the Corporation, sending one copy each to the local Plant Management and the Chairperson

of the Shop Committee. Such "Notice of Appeal" will carry the same case number as the "Statement of Unadjusted Grievance." Except as provided in Paragraph (79e), any case not appealed within thirty days, or within thirty days plus any agreed upon extension of time for exchanging Statements of Unadjusted Grievance as provided in Paragraph (37), after the date the written Statements of Unadjusted Grievance are exchanged, or, in any event, within forty-five (45) days of the date of the written decision of local Plant Management to the Shop Committee, shall be finally and automatically closed on the basis of the written decision of the local Plant Management to the Shop Committee and shall not be subject to further appeal. The forty-five (45) day time limit for appeal shall be extended by the same number of days the local parties agree to extend the time limit for the exchange of Statements of Unadjusted Grievances. No case shall be reopened unless the Regional Director shall submit new evidence to the Plant Management and it is mutually agreed by them that such case should be reopened. The case shall then date from the date it is reopened.

(39) The case will then be considered by an Appeal Committee consisting of four members as follows: For the Union, the Regional Director or one specified representative of the Regional Director who is permanently assigned to handle all cases arising under this Agreement, in all plants in that region, and the Chairperson or another designated member of the Shop Committee of the plant involved; and two representatives of Local or Divisional Management, one of whom has not previously rendered a decision in the case. No person shall act as a representative of a Regional Director in meetings of the Appeal Committee unless the designated person's name has been given to the Corporation in writing by the International Union. A representative of the International Office of the union



and/or a representative of the Industrial Relations Staff of the Corporation may also attend such meetings at any time. Upon the written request of the Chairperson of the Shop Committee and the Regional Director, or specified representative, to the Plant Management, twenty-four (24) hours in advance of the meeting, a member of the Shop Committee (or the district committeeperson, in lieu of such Shop Committeeperson, who has previously handled such case) will be permitted to participate in the appeal meeting on such case. Whenever the Union requests the presence of a third representative at the appeal hearing, Management may also select a third representative who has previously handled the case, to participate in the appeal meeting on such case.

[See Par. (54)]

(40) Attendance of district committeepersons at Appeal Committee meetings shall be considered as absence from the Plant. Such committeepersons will be paid their regular rate of pay for time spent in such meetings of the Appeal Committee for the hours that they would otherwise have worked in the plant.

(41) Meetings of the Appeal Committee shall be held not more frequently than once each two weeks for each bargaining unit, unless mutually agreed otherwise. In the event no meetings of the Appeal Committee have been held for more than two weeks, meetings will be arranged within seven days after "Notice of Appeal" has been received.

(42) If an adjustment of the case is not reached at this meeting, the Management will furnish a copy of its decision in writing and a copy of the minutes of the meeting, to the Chairperson of the Shop Committee and the Regional Director within five working days after the meeting, unless this period is extended by mutual agreement in writing.

(42a) Special Procedure — Contracting of Work

[See Par. (46)(1)]
[See App. F-F2]

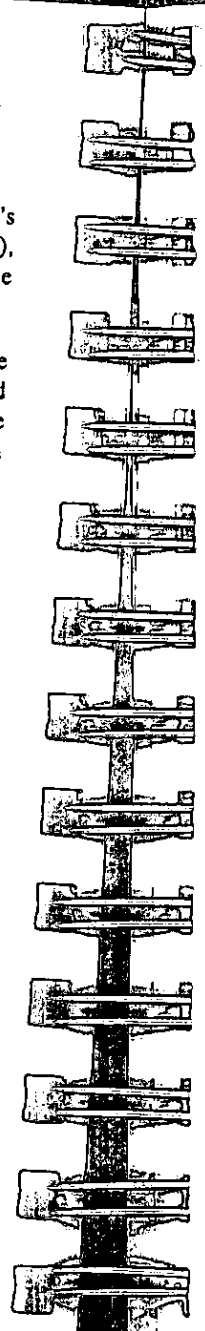
Grievances charging a violation of the Corporation's express commitments set forth in Paragraph (183a), (183b), (183c), (183e) and Appendix F-1 shall be handled in the following manner:

(1) When a grievance arises involving the above, it shall be reduced to writing on forms provided by the Corporation, signed by the Chairperson of the Shop Committee or the Shop Committeeperson involved, and referred to the Shop Committee at Step Two of the grievance procedure. The grievance may then be processed in the grievance procedure through Step Four under the terms of the National Agreement, unless the Director of the GM Department of the International Union elects otherwise as provided in Paragraph (42a)(2) below.

(2) Within thirty (30) days of the date of Notice of Appeal to the Umpire, written notice will be given to advise the Director of Labor Relations of the Corporation of any case which the Director of the General Motors Department of the International Union has elected to refer back to the Appeal Committee. Thereafter, the bargaining procedure provided in Paragraph (117) may then be applicable.

Step Four. Appeal to Impartial Umpire

(43) In the event of failure to adjust the case at this point, it may be appealed to the impartial Umpire, providing it is the type of case on which the Umpire is authorized to rule. Notice of appeal of such cases to the Umpire by the Union shall be given by the Regional Director to the Plant Management of the Plant in which the case arose, with copies to the Industrial Relations



Staff of the Corporation in Detroit and to the International Union Office at Detroit; in cases appealed to the Umpire by the Corporation, notice of such appeal will be given by the Corporation to the International Union Office in Detroit. Cases not appealed to the Umpire within twenty-one days from the date of a final decision given after review in an Appeal Committee meeting shall be considered settled on the basis of the decisions so given; provided, however, that within the twenty-one (21) day time limit of this paragraph a case may be withdrawn by mutual agreement without prejudice to either party.

[See Par. (55)]
[See Doc. 48]

(43a) After a case has been appealed to the Umpire but prior to the Umpire hearing of the case, the Director of the General Motors Department of the International Union or a specified member of the Director's staff will be granted permission to visit the plant for the purpose of investigating the specific grievance in accordance with all of the provisions of Paragraph (38) regarding plant visits.

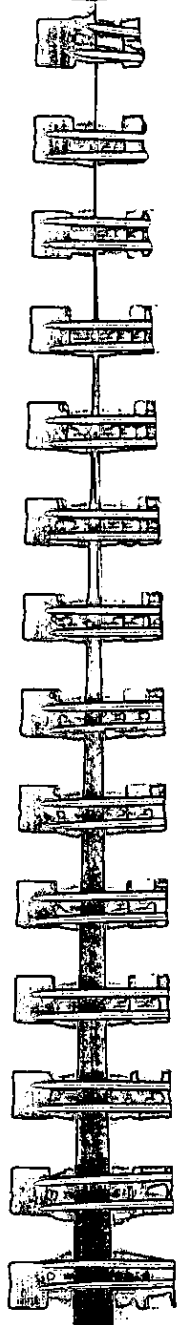
(43b) (1) Any grievance involving a dispute regarding an employee's job assignment which has resulted in a loss of work (except as provided in [a] below), or a refusal of Management to return an employee to work from sick leave of absence by reason of the medical findings of a physician or physicians acting for the Corporation, will be initiated at the Second Step, if such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which the employee is entitled, in line with the employee's seniority, or do the disputed job assignment as the case may be. Failing to resolve the question, the parties may refer the employee to a local clinic or physician mutually agreed upon for an impartial medical

opinion as to whether the employee is or is not able to do a job to which the employee is entitled, in line with the employee's seniority, or do the disputed job assignment as the case may be. If Management and the Union are unable to agree on any aspect of the referral to a clinic or physician, the case may be appealed as provided in the grievance procedure. Without adding to or modifying any other provisions of this Agreement or any of its Supplements, where an Impartial Medical Opinion (IMO) Program is in effect in a plant the medical authority(s) approved for such program may be the "local clinic or independent physician" provided for above. The expense of any mutually agreed to physical examination(s) in accordance with the above provisions of this Paragraph (43b) shall be paid one half by the Corporation and one half by the Local Union.

[See Par. (216)]

(a) This procedure will also be applicable to a situation where an employee is prevented from being transferred to a job classification because of a medical finding by a physician acting for the Corporation, which medical finding the employee's personal physician does not thereafter detect.

(2) In the event the Corporation and the International Union are unable to mutually agree at the Third Step, on the referral to a clinic or physician, the case shall be considered as automatically appealed to the Umpire and shall be scheduled for Umpire Hearing as expeditiously as practicable. The case will then be handled in accordance with Paragraph (45). Information furnished the Umpire shall include all relevant and material medical information that the parties themselves have jointly considered. When deciding medical questions, the Umpire shall seek such competent medical advice, including specialists, as the Umpire may deem appropriate. Any examination of the employee by the medical personnel selected by the



Umpire shall be conducted as close as feasible to the city in which the plant where the grievance arose is located.

(3) Any decision by a mutually agreed to medical authority at any step of this Paragraph (43b) procedure, or by the Umpire, shall be final and binding on the Union, the employee involved and the Corporation. Any retroactive pay due an employee shall be limited to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which the employee is entitled, in line with the employee's seniority, whichever is the later. The Umpire shall have full discretion to set the amount of back pay, if any, when a dispute exists as to the back pay to which an employee may be entitled for any period during the processing of the grievance when the employee refuses to cooperate with diagnostic medical procedures at other than the employee's own expense.

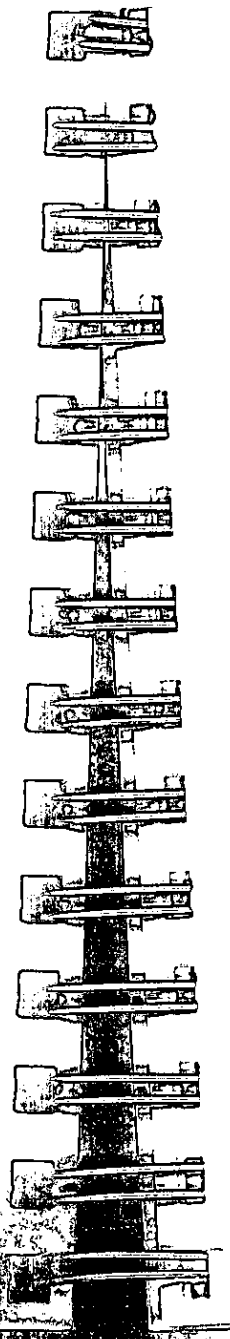
(44) The impartial Umpire shall have only the functions set forth herein and shall serve during the term established by contract for as long as the Umpire continues to be acceptable to both parties. The fees and expenses of the Umpire will be paid one-half by the Corporation and one-half by the Union and all other expenses shall be borne by the party incurring them.

(45) All cases shall be presented to the Umpire in the form of a written brief prepared by each party, setting forth the facts and its position and the arguments in support thereof. The Umpire has discretion to conduct appropriate investigation and may opt to hold a hearing open to the parties and examine the witnesses of each party and each party shall have the right to cross-examine all such witnesses and to make a record of all such proceedings.

[See Par. (43b)(2)]

Powers of the Umpire

(46) It shall be the function of the Umpire, after due investigation and within a reasonable period of time after submission of the case, to make a decision in all claims of discrimination for Union activity or membership and in all cases of alleged violation of the terms of the following sections of this Agreement, and written local or national supplementary agreements on these same subjects: Recognition; Representation; Grievance Procedure; Seniority; Disciplinary Layoffs and Discharges; Call-In Pay; Working Hours; Leaves of Absence; Union Bulletin Boards; Establishment of New Plants; Strikes, Stoppages and Lockouts; Wages, except Paragraph (97); General Provisions; Apprentices; Skilled Trades, except as provided hereinafter; Vacation Entitlement; Holiday Pay; Paragraphs (79) through (79f), relative to procedures on Production Standards; Paragraph (79h); and of any alleged violations of written local or national wage agreements. The Umpire shall have no power to add to or subtract from or modify any of the terms of this Agreement or any agreements made supplementary hereto; nor to establish or change any wage; nor to rule on any dispute arising under Paragraphs (78) through (78d), (79g) or (79i) regarding Production Standards; nor to rule on a case handled pursuant to Paragraph (42a)(2). The Umpire shall have no power to rule on any issue or dispute arising under The Waiver Section, Paragraphs (226), (227) or the Pension Plan, Life and Disability Benefits Program, Health Care Program, Guaranteed Income Stream Benefit Program, Profit Sharing Plan, Personal Savings Plan, Legal Services Plan or Supplemental Unemployment Benefit Plan Section, except with respect only to the question of whether a discharged employee should receive a supplemental allowance pursuant to Section 7 of Article II of the Pension Plan (Exhibit A-1). Any case appealed to the Umpire on which the Umpire has no power to rule shall be referred back to the parties without decision.



[See Par. (220)]
[See App. F-2]
[See Doc. 39]
[See CSA #8]

(46) **(1)** In making a decision on a case alleging a violation of Paragraphs (183a), (183b), (183c), (183e), Appendix F-1, or Appendix L, the Umpire can only provide a remedy where the Umpire finds that (1) a violation of the express commitments set forth in the above paragraphs, Appendix F-1, or Appendix L has been established, (2) the established violation resulted from the exercise of improper judgment by Management, (3) an E.I.T.S. or Journeyman/woman employee, who customarily would perform the work in question has been laid off or was allowed to remain on layoff as a direct and immediate result of work being subcontracted, or (4) in the case of Appendix L, an employee has been laid off or was allowed to remain on layoff as a result of work being outsourced, or not being brought in-house. The Umpire's remedy shall be limited to back wages for the affected employees as defined in (3) and (4) of this paragraph, and in the case of Appendix L, the Umpire may rule that the affected employees will be recalled and/or placed on regular productive work and the work in dispute or equivalent replacement work be returned to General Motors.

(46a) The Umpire may, pursuant to written agreement between the parties executed prior to the hearing, be directed to issue a Memorandum Decision in any case that may be presented to the Umpire, which Memorandum Decision shall be without precedent value and be limited to the Umpire's decision and the remedy, if any, in that specific case. The Umpire will issue the decision within ten (10) days following the date the Umpire hearing is concluded.

(47) The Corporation delegates to the Umpire full discretion in cases of discipline for violation of shop rules, or discipline for violation of the Strikes, Stoppages and Lock-outs Section of the Agreement.

[See Par. (8)]

(48) Any claims including claims for back wages by an employee covered by this Agreement, or by the Union, against the Corporation shall not be valid for a period prior to the date the grievance was first filed in writing, except that:

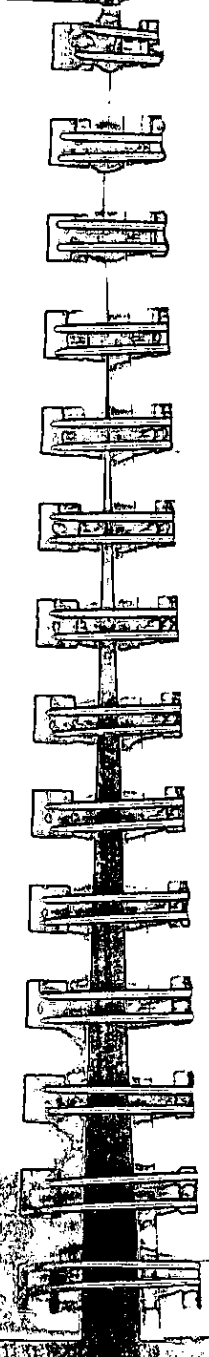
[See Par. (77)]

(1) in cases based on a violation which is noncontinuing, such claims shall be valid for a period of not more than seven days prior to the date the grievance was first filed in writing unless the circumstances of the case made it impossible for the employee, or for the Union, as the case may be, to know that the employee, or the Union, had grounds for such a claim prior to that date, in which case the claim shall be limited retroactively to a period of forty-five days prior to the date the claim was first filed in writing;

(2) in cases based on a violation which is continuing, if the circumstances of the case made it impossible for the employee, or for the Union, as the case may be, to know that the employee, or the Union, had grounds for such a claim prior to that date, the claim shall be limited retroactively to a period sixty days prior to the date the claim was first filed in writing.

(49) Deductions from an employee's wages to recover overpayments made in error will not be made unless the employee is notified prior to the end of the month following the month in which the check (or payroll order) in question was delivered to the employee.

[See Par. (202)]



(50) All claims for back wages shall be limited to the amount of wages the employee would otherwise have earned from employment with the Corporation during the periods as above defined, and, in the case of protested discipline or loss of seniority, the amount of Supplemental Unemployment Benefits and Unemployment Compensation (provided the denial of this benefit is final) the employee applied for in a timely manner, was otherwise entitled to, but did not receive because of such discipline or loss of seniority, less the following:

(1) Any Unemployment Compensation received for a week which corresponds to a week the employee would have worked for the Corporation which the employee is not obligated to repay or which the employee is obligated to repay but has not repaid nor authorized the Corporation to repay on the employee's behalf.

(2) Compensation for personal services other than the amount of compensation received from any other employment which the employee had when last working for the Corporation and which would have continued had the employee continued to work for the Corporation during the period covered by the claim.

Wages for total hours worked each week in other employment in excess of the total number of hours the employee would have worked for the Corporation during each corresponding week of the period covered by the claim, shall not be deducted.

The calculation of a back pay award made pursuant to this paragraph will be provided to the employee involved upon request.

(51) No decision of the Umpire or of the Management in one case shall create a basis for a retroactive adjustment in any other case prior to the date of written filing of each such specific claim.

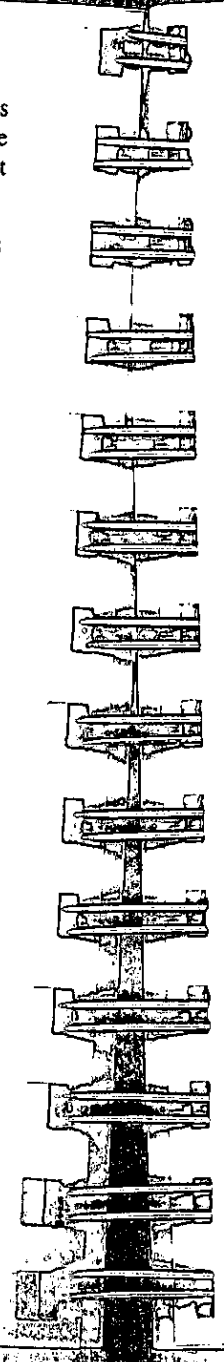
(52) After a case on which the Umpire is empowered to rule hereunder has been referred to the Umpire, it may not be withdrawn by either party except by mutual consent.

(53) There shall be no appeal from the Umpire's decision, which will be final and binding on the Union and its members, the employee or employees involved and the Corporation. The Union will discourage any attempt of its members, and will not encourage or cooperate with any of its members, in any appeal to any Court or Labor Board from a decision of the Umpire.

With respect to the processing, disposition and/or settlement of any grievance initiated under the Grievance Procedure Section of this Agreement, and with respect to any court action claiming or alleging a violation of this Agreement or any local or other agreement amendatory or supplemental hereto, the Union shall be the sole and exclusive representative of the employee or employees covered by this Agreement. The disposition or settlement, by and between the Corporation and the Union, of any grievance or other matter, shall constitute a full and complete settlement thereof and shall be final and binding upon the Union and its members, the employee or employees involved and the Corporation.

Neither the Corporation, nor the Union, nor any employee or group of employees, may initiate or cause to be initiated or press any court action claiming or alleging a violation of this Agreement or any local or other agreement amendatory or supplemental hereto, where such claim is also the subject matter of a grievance which is then open at any step of this grievance procedure.

No employee or former employee shall have any right under this Agreement in any claim, proceeding, action or otherwise on the basis, or by reason, of any



claim that the Union or any Union officer or representative has acted or failed to act relative to presentation, prosecution or settlement of any grievance or other matter as to which the Union or any Union officer or representative has authority or discretion to act or not to act under the terms of this Agreement.

[See Doc. 52]

(54) Any grievances which the Corporation may have against the Union in any plant, shall be presented by the Plant Management involved to the Shop Committee of that plant. In the event that the matter is not satisfactorily adjusted within two weeks after such presentation, it may be appealed to the third step of the Grievance Procedure upon written notice to the Local Union and the Regional Director of the Union. Thereafter the matter will be considered at the third step of the Procedure as provided in Paragraph (39). If the matter is not satisfactorily settled at this meeting or within five days thereafter by agreement, the case may be appealed to the Umpire by the Corporation upon written notice to the International Union at Detroit and to the Umpire.

(55) Any issue involving the interpretation and/or the application of any term of this Agreement may be initiated by either party directly with the other party. Upon failure of the parties to agree with respect to the correct interpretation or application of the Agreement to the issue, it may then be appealed directly to the Umpire as provided in Paragraph (43).

[See Par. (122)]
[See Doc. 87]

SENIORITY

Acquiring Seniority

(56) Employees shall be regarded as temporary employees until their names have been placed on the

seniority list. There shall be no responsibility for the reemployment of temporary employees if they are laid off or discharged during this period. However, any claim by a temporary employee rehired pursuant to Paragraph (64)(e), or any claim by any other temporary employee made after 30 days of employment, that their layoff or discharge is not for cause may be taken up as a grievance.

[See Par. (76b),(77),(95)]
[See App. A]
[See Doc.23]

(57) Employees may acquire seniority by working ninety days during a period of six continuous months in which event the employee's seniority will date back ninety days from the date seniority is acquired; provided, however, that employees rehired pursuant to Paragraph (64)(e) will acquire seniority on their first day of work.

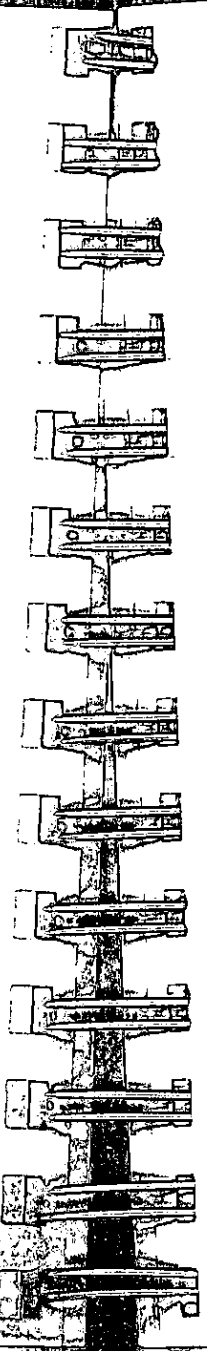
Employees who are placed in permanent jobs at other GM facilities under the provisions of the Memorandum of Understanding Employee Placement will establish seniority at the secondary plant on the day they start at the secondary plant. Such employees will establish a plant seniority date in accordance with the Application of Corporate Seniority Section of Memorandum of Understanding Employee Placement.

[See Par. (73a),(107),(108),(135)]
[See Par. (137)(b),(157),(170)(a)-(b)]

(58) When employees acquire seniority, their names will be placed on the seniority lists for their respective occupational groups in the order of their seniority.

[See Par. (135)]
[See App. D]
[See App. A]

(59) Seniority shall be by non-interchangeable occupational groups within departments, group of departments or plant-wide, as may be negotiated locally



in each plant and reduced to writing. It is mutually recognized by the parties that written local seniority agreements are necessary. All local seniority agreements and modifications or supplements thereto shall be reduced to writing and be subject to the approval of the Corporation and the International Union.

When changes in methods, products or policies would otherwise require the permanent laying off of employees, the seniority of the displaced employees shall become plant-wide and they shall be transferred out of the group in line with their seniority to work they are capable of doing, as comparable to the work they have been doing as may be available, at the rate for the job to which they have been transferred.

[See Par. (68),(69),(134),(138)(a),(220)]
[See App. K.III(C)15]
[See Doc. 70]
[See CSA #9]

Seniority Lists

(60) Up-to-date seniority lists shall be made available to all employees for their inspection within the plant either by posting where practical or by a satisfactory equivalent method. The method of displaying seniority lists is a matter for local negotiation.

(60a) The seniority lists shall contain each employee's name, occupational group, plant seniority date, and, if different than the employee's plant seniority date, skilled trades date of entry or skilled trades seniority date. This will not require a change in any mutually satisfactory local practice now in effect.

(61) Each three (3) months the Chairperson of the Shop Committee shall be given two up-to-date copies of the complete seniority list of the plant containing each employee's name, department number, occupational group or classification, plant seniority date, and, if

different than the employee's plant seniority date, skilled trades date of entry or skilled trades seniority date. An additional copy of each such list shall be given to the Financial Secretary. This will not require a change in any mutually satisfactory local practice now in effect.

(61a) Following the end of each month the Chairperson of the Shop Committee shall be furnished two copies and the Financial Secretary shall be furnished one copy of the list of names, department number and seniority dates of employees who during the preceding month have:

(a) Acquired seniority.

(b) Been granted leaves of absence for military service.

(c) Been granted other types of leaves of absence of more than thirty (30) days' duration.

(d) Returned to work from leaves of absence described in (b) and (c) above.

Local Management will designate on the list those employees who ceased to be subject to the check-off and the reason therefor.

(61b) Each week the Chairperson of the Shop Committee shall be furnished two copies and the Financial Secretary shall be furnished one copy of the list of names and department numbers of the employees who during the preceding week:

(a) Became new hires into the bargaining unit (designating those hired pursuant to Appendix A and, by classification, those hired as journeymen/women, including identification of apprentice graduates and employees-in-training [E.I.T.]).

(b) Returned to work from permanent layoff.

(c) Transferred

(1) into the bargaining unit, or

(2) out of the bargaining unit (to supervisory or non-supervisory position).

(d) Had their employment terminated while in a temporary employee status, including the date of hire and last day worked of each such employee.

(e) Lost seniority, and the reason therefor (designating those who were hired pursuant to Appendix A).

(f) Became deceased (including retired employees).

(g) Were placed on permanent layoff.

The list shall contain the seniority dates of employees listed under (b), (c) and (g). It shall also include a notation of the seniority date of the employee with the longest seniority who is laid off or the "leveling off" date.

(61c) Each month the Financial Secretary shall be furnished with the names, social security numbers, department numbers and clock numbers of those employees on the active roll or on layoff, as of the last day of the final payroll period ending in the month, for whom no deductions were made during that dues deduction month and the reason therefor. In the event an employee breaks seniority or transfers out of the bargaining unit during the previous dues deduction month and has an unpaid dues liability, the amount of such liability will be shown on this list. This information should be furnished along with the dues remittance report described in Paragraph (4o). The Financial Secretary will be advised of the order in which the names will be listed and of any future changes in the order of the listing as far in advance as possible.

[See Doc. 18,19]

Transfers

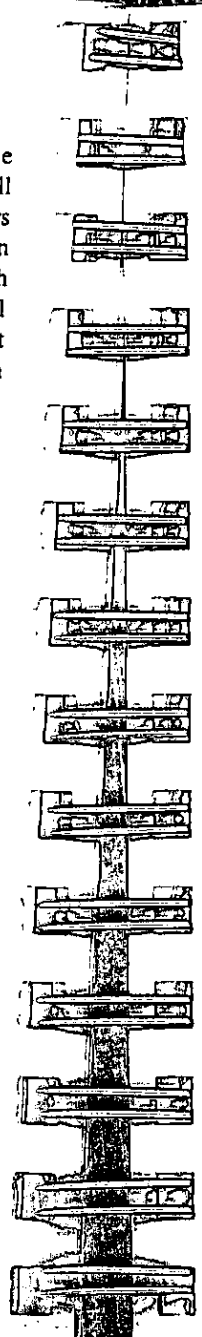
(62) When employees are transferred from one occupational group to another for any reason, there shall be no loss of seniority. However, in cases of transfers not exceeding thirty (30) days employees will retain their seniority in the occupational group from which they were transferred and not in the new occupational group, unless a longer period is specified for any plant or particular occupational group or groups by written local agreement.

[See Par. (72)]

(63) The transferring of employees is solely the responsibility of Management subject to the following sub-paragraphs. The provisions of this paragraph shall be applied without discrimination because of race, religion, color, age, sex, disability, sexual orientation, or national origin, so that equal employment opportunity will be afforded to all employees.

This Paragraph (63) will be openly displayed in each department in each plant in such a manner that it may be reviewed by the employees so that they will be aware of transfer and promotional opportunities that may become available to them and the procedure for expressing their desires. All classifications within a department and their rates of pay will also be openly displayed in that department so that employees will be aware of transfer and promotional opportunities that may become available to them. Local agreements that have been negotiated pursuant to sub-Paragraph (63)(b) below will also be so openly displayed in each department in each plant.

[See Par. (6a)]
[See Par. (72)]
[See App. K Att.A]
[See Doc. 20,54,70,97]



(63) (a) (1) Employees who desire advancement to higher paid classifications within their department or other established broader scope of selection, may make application to their supervisor or the Personnel Department on forms provided by the Corporation on which they may state their qualifications and experience. Thereafter, as openings occur, selection for the promotion will be from among such applicants and applicants for that classification that have filed pursuant to sub-Paragraph (2) below, who have applied at least one (1) week in advance of the opening in question, and where ability, merit and capacity are equal, the applicant with the longest seniority will be given preference.

[See Par. (120)]
[See Doc. 69]

(63) (a) (2) Employees who desire advancement within the plant to higher paid classifications in another department or to higher paid classifications where the employee is working outside an established scope of selection that is broader than a department may make application to their supervisor or the Personnel Department on forms provided by the Corporation on which they may state their qualifications and experience. Thereafter, as openings occur, such applicants will be considered in the selection process for that promotion provided they have so applied at least one (1) week in advance of the opening in question. Each employee may have two (2) such applications on file. An employee who has been transferred and established seniority under this Paragraph (63) (a) (2) will not be eligible to reapply for consideration for another such promotion until six (6) months have elapsed from the effective date of transfer. An employee who has been offered a transfer and refused the transfer under this Paragraph (63)(a)(2) will have such application for transfer cancelled and thereafter, for a period of six (6) months from the date of such refusal, may be entitled to only one (1) valid application for

transfer under these provisions. Such transfer or offer of transfer to employees working outside a scope of selection shall be without prejudice to the establishment or identification of such scope.

Promotions made pursuant to the provisions of this Paragraph (63)(a) in the preceding week will be openly displayed in mutually satisfactory locations in the plant which are frequented by large numbers of affected employees.

If the settlement of a grievance alleging violation of this Paragraph (63)(a) is on the basis that a different employee should have been promoted, that employee will receive the difference in wages earned (exclusive of earnings received for overtime hours which they worked but were not worked by the employee improperly promoted to the higher rated job) and the wages they would have earned had they been promoted.

If an employee is transferred pursuant to the provisions of this Paragraph (63)(a) and the employee is subsequently reduced from the new classification prior to establishing seniority, the provisions requiring advanced application for an opening in that classification will be waived, provided the employee refiles for such classification within one (1) week from the date of being reduced.

[See Par. (120)]
[See Doc. 71,72]

(b) It is the policy of Management to cooperate in every practical way with employees who desire transfers to new positions or vacancies in their department. Accordingly, such employees who make application to their supervisor or the Personnel Department stating their desires, qualifications and experience, will be given preference for openings in their department provided they are capable of doing the job. However, employees who have made application as

provided for above and who are capable of doing the job available shall be given preference for the openings in their department over new hires. In case the opening is in an equal or lower rated classification and there is more than one applicant capable of doing the job, the applicant with the longest seniority will be given preference. Any secondary job openings resulting from filling jobs pursuant to this provision may be filled through promotion; or through transfer without regard to seniority standing, or by new hire.

Any claim of personal prejudice or any claim of discrimination for Union activity in connection with transfers may be taken up as a grievance. Such claims must be supported by written evidence submitted within 48 hours from the time the grievance is filed.

In plants where departments are too small or in other cases where the number of job classifications within a department is insufficient to permit the practical application of this paragraph, arrangements whereby employees may make such application for transfer out of their department may be negotiated locally, subject to approval by the Corporation and the International Union.

[See Par. (120)]

Loss of Seniority

(64) Seniority shall be broken for the following reasons:

[See App. A]

(a) If the employee quits.

[See Doc. 42]

(b) If the employee is discharged.

(c) If the employee is absent for three working days without properly notifying the Management, unless a satisfactory reason is given. After the unreported

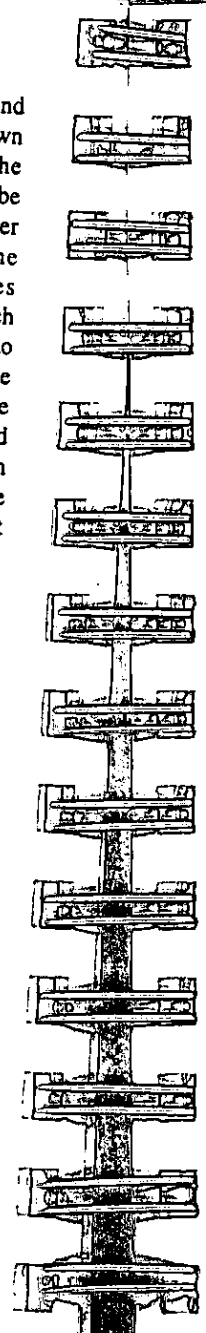
absence of three working days, Management will send clear written notification to the employee's last known address as shown on the Company records, that the employee's seniority has been broken and that it can be reinstated if, within five specified working days after delivery or attempted delivery of such notice, the employee reports for work or properly notifies Management of a reason for absence. A copy of such Management notification will be furnished promptly to the Chairperson of the Shop Committee. If the employee complies with the conditions set forth in the notification, the employee's seniority will be reinstated if it has not otherwise been broken; however, such reinstatement shall not be construed as limiting the application of the Shop Rule regarding absence without reasonable cause in the employee's case.

[See Par. (74)]

(d) If the employee fails to return to work within five working days after being notified to report for work, and does not give a satisfactory reason. Such notice shall be clear in intent and purpose. A copy of Management's notification of such loss of seniority will be furnished promptly to the Chairperson of the Shop Committee.

[See Par. (74),(188)(a)]
[See App. A(V)]
[See Doc. 22.26]

(e) If the employee is laid off for a continuous period equal to the seniority which the employee had acquired at the time of such layoff period or, in the case of an employee with less than (1) year of seniority, eighteen (18) months or, in the case of an employee with (1) or more years of seniority, (36) months whichever is longer; however, an employee whose seniority is so broken shall, for a period of sixty (60) months beginning with the employee's last scheduled work day prior to being laid off, retain a right to be rehired in accordance



with the seniority date the employee had established at that plant as of such last day scheduled. An employee who is rehired, and who reacquires seniority at the same plant, pursuant to Paragraph (57), within sixty (60) months immediately following the last day worked prior to the layoff during which the employee's seniority was broken by virtue of this Paragraph (64)(e) shall have the new seniority date adjusted by adding an amount equal to the seniority which the employee had acquired at that plant as of such last day worked.

For the purpose of computing the period for breaking seniority only, the first day of that period will be the next otherwise regularly scheduled work day after layoff. In the case where the next otherwise regularly scheduled work day is a Monday holiday as listed in Paragraph (203) that Monday will be considered the first day of that period.

[See Par. (95),(98b),(111)(c),(186)]
[See Par. (190)(b)]
[See App. A;K.II(E)]
[See Doc. 20.42]

(f) Retirement as follows:

[See Doc. 9]
[See Pension Plan Exhibit A-1]

(1) An employee who retires, or who is retired under the terms of the Pension Plan, shall cease to be an employee and shall have seniority canceled.

(2) An employee who has been retired on a permanent and total disability pension and who thereby has broken seniority in accordance with subsection (1) above, but, who recovers and has pension payments discontinued, shall have seniority reinstated as though the employee had been on a sick leave of absence during the period of disability retirement, provided however, if the period of disability retirement was for a period longer than the seniority the employee had at the date of retirement, the employee shall, upon

the discontinuance of the disability pension, be given seniority equal to the amount of seniority the employee had at the date of such retirement.

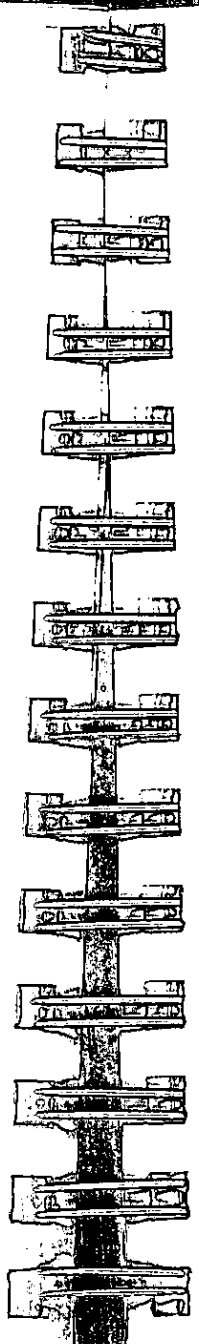
(3) If an employee retired for reasons other than total and permanent disability who has lost seniority in accordance with subsection (1) above, is rehired such employee will have the status of a new employee and without seniority, and shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing Holiday Pay and Vacation Pay.

[See Par. (98b)]

(g) If the employee is issued a Separation Payment check or draft by the Corporation pursuant to the Supplemental Agreement attached hereto as Exhibit "D," the employee's seniority shall be broken at any and all plants of the Corporation as of the date the application for such Separation Payment was received by the Corporation; provided, however, that if the employee:

(1) returns the amount of the Separation Payment to the Corporation within 30 days of the date of the Separation Payment check or draft, the employee's seniority shall be reinstated as of the fourth working day following receipt of the returned amount;

(2) received such Separation Payment by reason of total and permanent disability and subsequently recovers and reports for work, the employee's seniority shall be reinstated as though the employee had been on sick leave of absence during the period of disability, provided further, however, that if the period beginning with the date seniority was broken by reason of the Separation Payment and ending with the date of the employee's return to work was for a period longer than the seniority which the employee had at the date such seniority was broken because of the



Separation Payment, the employee shall be given seniority equal to the amount of seniority which the employee had at the date of such seniority break.

(h) An employee whose seniority is broken under the provisions of Paragraphs (64)(a), (64)(b), (64)(c), (64)(d), (111)(a) or (111)(b) will, in the event the employee's seniority is reinstated, be reimbursed for any contributions made pursuant to Section 6 of the Supplemental Agreements (Life and Disability Benefits Program and Health Care Program) (Exhibits B and C) which the Corporation would have made, in accordance with the employee's revised status, under the applicable provisions of the Life and Disability Benefits Program and the Health Care Program (Exhibits B, B-1, C and C-1). An employee who is assessed a disciplinary layoff which is subsequently reduced or rescinded, will be reimbursed for any contributions made pursuant to the Supplemental Agreements (Life and Disability Benefits Program and Health Care Program) (Exhibits B, B-1, C and C-1) which the Corporation would have made, in accordance with the employee's revised status, under the applicable provisions of the Life and Disability Benefits Program and the Health Care Program (Exhibits B, B-1, C and C-1).

Layoff and Rehiring Procedure

(65) For temporary reductions in production not exceeding four weeks, the work week may be reduced before any employees are laid off, unless otherwise extended by local plant agreement.

[See Par. (66)(d),(177)]
[See App. K]
[See Doc. 10]

(66) (a) For extended periods of reduced production exceeding four weeks the work week will be reduced and/or employees will be laid off to comply with

Paragraph (c) below unless otherwise extended by local plant agreement.

[See Par. (121),(140),(140a),(140b)]
[See App. K]

(66) (b) Both parties agree that it is desirable to give employees high annual earnings. It is recognized and agreed that there are times when production and tooling require overtime and other times when not enough work is available to give all employees with seniority a full week's work. It is mutually recognized that to operate a plant at a schedule which gives employees less than thirty-two (32) hours per week for more than a month is unsatisfactory to both employees and the Corporation and reductions below this level are only justified by special conditions.

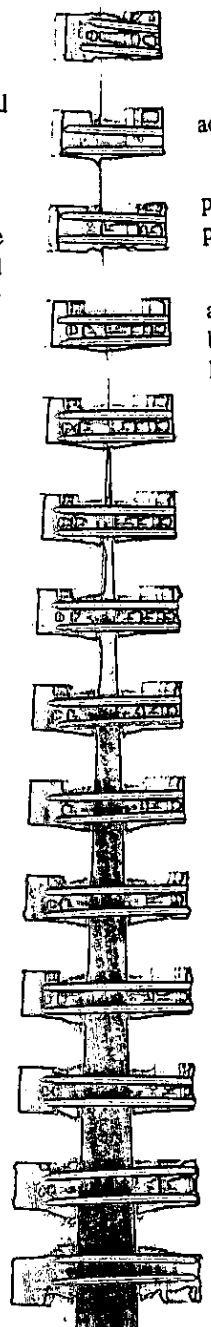
[See Par. (121),(140),(140a),(140b)]
[See Sub-Exhibit D]

(66) (c) Operation of a plant or any part thereof on a schedule of employment of less than an average of twenty-four (24) hours per week for a period of more than two consecutive weeks or less than an average of thirty-two (32) hours per week for a period of more than four consecutive weeks shall only be by local written agreement with the Shop Committee.

[See Par. (121),(140),(140a),(140b)]

(66) (d) For the purpose of Paragraph (65) and this Paragraph (66), a week in which employees are not scheduled to work shall not be taken into account. In the event a full week of five holidays occurs during the Christmas holiday period, the hours paid as holiday pay in such a week shall be counted as scheduled hours of work. Hours paid as holiday pay in a week in which work is scheduled shall also be counted as scheduled hours of work.

[See Par. (65),(203c)]
[See Doc. 80]



(67) Employees will be laid off and rehired in accordance with local seniority agreements.

(68) The Management of each plant will, whenever possible, give at least twenty-four (24) hours' notice prior to layoff to the employees affected.

(69) Any employee who has been transferred from a supervisory position to a job classification in the bargaining unit shall be credited with seniority as hereafter established provided:

[See App. K,IV(C)15]
[See Doc. 86]

(a) The employee previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(b) The employee's employment with the Corporation has remained unbroken.

The seniority of such employee returning to the bargaining unit will be established as provided below:

1. All seniority established prior to March 1, 1977.
2. All time worked in the bargaining unit subsequent to March 1, 1977.
3. All time worked in a supervisory position subsequent to October 15, 1984 and prior to January 1, 2000.
4. All time worked in a temporary supervisory position that does not exceed 120 days in any calendar year subsequent to January 1, 2000.

Such employee may be placed on a job in accordance with the provisions of the local seniority agreement, beginning with the last previous job the employee held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, the

employee may be placed in accordance with Paragraph (59). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

(70) Temporary employees will not be called back until all employees with seniority capable of doing the work have been called back; provided, however, that the application of this paragraph may be waived by written agreement between local Management and the Shop Committee with respect to Journeymen/women with seniority and employees-in-training-seniority (E.I.T.S.) who are on layoff from a skilled trades classification.

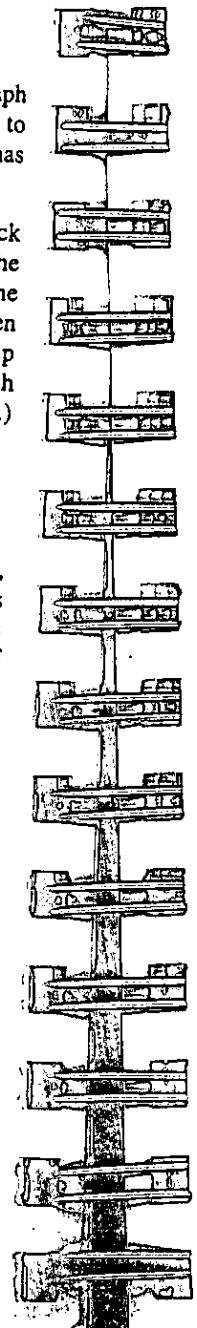
[See Par. (121),(135-140),(140a),(140b)]

General Provisions Regarding Seniority

(71) Extra work in periods of part-time operation, and overtime, should be equalized among the employees in the group engaged in similar work, as far as practicable. Information concerning equalization of hours status will be openly displayed in the department in such a manner that the employees involved may check their standing. This provision shall not interfere with any mutually satisfactory local practice now in effect.

[See Par. (8),(121),(141)(a)-(c)]
[See Memo-Overtime]
[See Doc. 7,Sec.VI;83;111]

(72) Employees who have been incapacitated at their regular work by injury or compensable occupational disease while employed by the Corporation, will be employed in other work on jobs that are operating in the plant which they can do without regard to any seniority provisions of this Agreement, except that such employees may not displace employees with longer seniority, provided, however, that by written agreement between local Management and Shop Committee, such employees may be placed or retained



on jobs they can do without regard to seniority rules. Each three months the name, job classification and seniority date of employees covered by such agreement will be furnished to the Chairperson of the Shop Committee.

[See Par. (59),(62),(63),(108),(195)]

(73) The employment of the following persons shall not be governed by seniority rules: students and graduates of technical or professional schools and special employees receiving training as a part of a formal training course.

[See Par. (56),(57),(58),(59)]

(73a) Seniority status of employees who have completed or discontinued cooperative training courses and who are assigned to hourly rated jobs in the bargaining unit for other than training purposes shall be as follows:

(1) An employee who has completed or discontinued a cooperative training course and who is assigned to an hourly rated job in the bargaining unit for other than training purposes shall have plant seniority established in keeping with Paragraph (57). Time spent in school shall not be considered as time worked in establishing the seniority date.

(74) To protect seniority, employees are responsible for keeping the Plant Management informed of their proper home address. The method of notification of change of address is to be established by the respective Plant Managements for their operations. Forms for this purpose shall be available in designated offices in the plant.

[See Par. (64)(c),(64)(d),(111)(b)]

(74a) Within thirty (30) days following the last day of each calendar February, May, August and November,

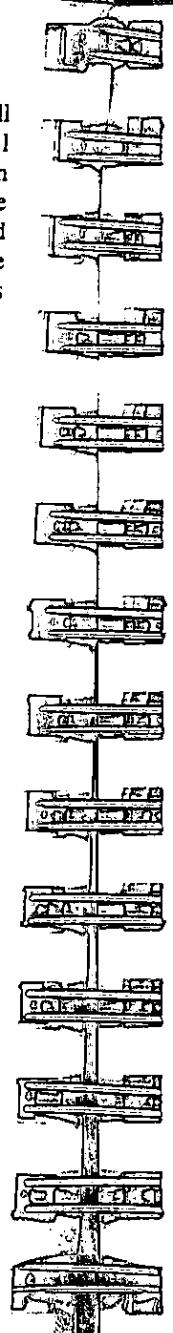
during the term of this Agreement, the Corporation shall give to the International Union the names of all employees covered by this Agreement together with their addresses as they then appear on the records of the Corporation. The International Union shall receive and retain such information in confidence and shall disclose it only to those officials of the Union whose duties require them to have such information.

(75) Provisions pertaining to shift preference may be negotiated locally. Such agreements and modifications or supplements thereto shall be reduced to writing and be subject to the approval of the Corporation and the International Union. Any such agreements must have sufficient flexibility to give full protection to efficiency of operations under all circumstances and conditions.

[See Par. (8),(137)(d),(180)(a),(220)]
[See App. K]
[See CSA #9]

DISCIPLINARY LAYOFFS AND DISCHARGES

(76) Employees who have been disciplined by a suspension, layoff or discharge will be furnished a brief written statement advising them of their right to representation and describing the misconduct for which they have been suspended, laid off or discharged and, in the case of a layoff or discharge, the extent of the discipline. Thereafter, they may request the presence of the committeeperson for their district to discuss the case privately with them in a suitable office designated by the Local Management, or other location by mutual agreement, before they are required to leave the plant. The committeeperson will be called promptly upon such request. Whether called or not, the committeeperson will be advised in writing within one working day of 24 hours of the fact of written reprimand, suspension, layoff or discharge and will be given a copy of the



statement given to the employee. After a suspension has been converted to a layoff or discharge, the committeeperson will be notified in writing of the fact of layoff or discharge. The written statement furnished to the employee pursuant to the first sentence of this paragraph shall not limit Management's rights, including the right to rely on additional or supplemental information not contained in the statement to the employee.

[See App. A]
[See Doc. 47,50,51,54]

(76a) When a suspension, written reprimand, layoff or discharge of an employee is contemplated, the employee, where circumstances permit, will be offered an interview to allow for answering the charges involved in the situation for which such discipline is being considered before being required to leave the plant. Employees who, for the purpose of being interviewed concerning discipline, are called to the plant, or removed from their work to the supervisor's desk or to an office, or called to an office, will be advised that they may, if they so desire, request the presence of their District Committeeperson to represent them during such interview.

[See Doc. 49,96]

(76b) Employees will be tendered a copy of any warning, reprimand, suspension or disciplinary layoff entered on their personnel records, within three days of the action taken. In imposing discipline on a current charge, Management will not take into account any prior infractions which occurred more than twenty-four months previously. Further, Management will eliminate from an employee's record any infraction where there was a lapse of time of greater than 18 months between infractions provided the employee has not been on leave of absence the majority of the time between the infractions. Also Management will not impose

discipline on employees for falsification of their employment applications after a period of twelve (12) months from their date of hire.

[See Par. (56)]
[See Doc. 34]

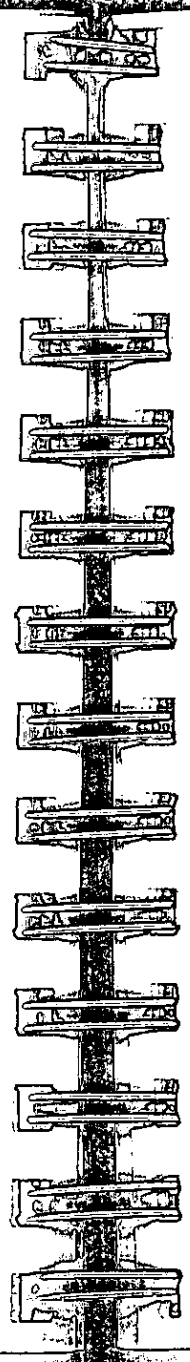
(77) It is important that complaints regarding unjust or discriminatory layoffs or discharges be handled promptly according to the Grievance Procedure. Grievances must be filed within three working days of the layoff or discharge. Within two working days after a grievance has been answered by higher supervision, pursuant to Paragraph 30 above, the specific charge will be discussed with designated representatives of local Plant Management, the Chairperson of the Shop Committee, or designated representative, and another member of the Shop Committee or the district committeeperson who filed the grievance. If the grievance is not resolved, local Plant Management will review and render a decision on the case within three working days thereafter. In any event, local Plant Management will render a decision on the case within 10 working days from the date the grievance is filed. If a Notice of Unadjusted Grievance is not submitted by the Shop Committee within five (5) working days of a decision of the local Plant Management, the matter will be considered closed.

[See Par. (37),(38),(48),(56)]

PRODUCTION STANDARDS

(78) Production standards shall be established on the basis of fairness and equity consistent with the quality of work, efficiency of operations, and the reasonable working capacities of normal operators. The Local Management of each plant has full authority to settle such matters.

[See Par. (8),(79a-i)]



(78a) Model mix shall be taken into account in establishing and/or changing production standards on car, body or truck line assembly operations. The speed of such assembly lines will not be increased beyond the level for which they are staffed for the purpose of gaining additional production or for the purpose of making up for loss of production due to breakdowns or unscheduled line gaps or stops.

[See Par. (46),(117)]

(78b) Work assignments on conveyor lines will be made in accordance with line speeds and available work space and the expected normal ratio of model mix and optional equipment. When it is necessary to adjust the normal scheduled mix on conveyor lines which results in more or less work being required, compensating adjustments in work assignment, number of employees, spacing of units, line speed or any combination thereof will be made. Arrangements will be made locally to establish procedures which will provide advance knowledge of mix changes that require compensating adjustments so that such adjustments will be made in a timely manner. On conveyor line operations, Management will designate specific off-line operations from which employees will be made available to compensate for such mix changes when one of the compensating adjustments requires an increase in the number of employees and in such case the assignment of employees to the conveyor line operation will be given priority over the off-line operation. Upon request, Management will advise the Union of the arrangements made.

[See Par. (46),(117)]

(78c) After the time or the requirements for a normal operator to perform an element has been established on a car, body or truck line assembly operation and the element is subsequently changed because of engineering changes, a change in method, machinery, equipment,

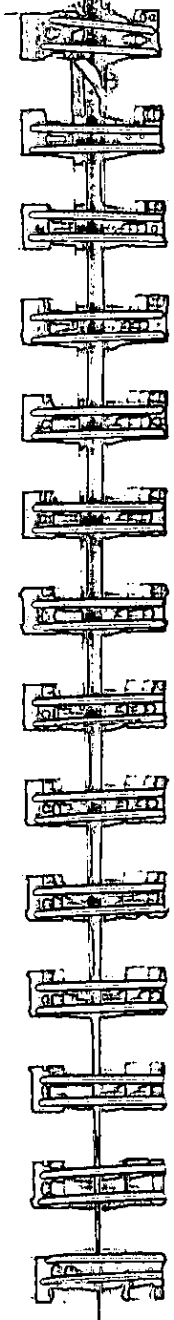
layout or tools, only the time or the requirements of the elements affected by such change will be adjusted.

[See Par. (46)]

(78d) If a standard is to be established on a new off-line or machine operation and has not been established when the operation is placed in production, the operator will be advised of the reason for not establishing the standard and the expected requirements of the operation.

[See Par. (46)]

(79) When a dispute arises regarding standards established or changed by the Management, the complaint should be taken up with the supervisor. If the dispute is not settled by the supervisor or if the complaint is not taken up by the employee with the supervisor, the committeeperson for that district shall, upon reporting to the supervisor of the department involved, examine the job to determine the merits of the complaint. The employee may then file a grievance. The supervisor or the time study person will furnish the committeeperson with all of the facts of the case. If there is still a dispute after this examination has been completed, the committeeperson may then re-examine the operations in detail with the supervisor or the time study person. The committeeperson will, upon request, be given in writing the work elements of the job without undue delay. When available, the cycle time or other pertinent data that is relevant to the dispute will be provided in writing upon request; however, it is mutually recognized that it would be impractical to provide this information during periods of production acceleration. If the matter is not adjusted at this stage, it may be further appealed as provided in the procedure below. If the dispute is settled at any stage of this procedure, the parties to the settlement will, upon request of either party, specify in writing what the elements are that constitute the job as settled including a notation in assembly plants of the then current model



mix and line speed and this information will be initialed and dated by the parties.

[See Par. (46)]
[See Doc. 44,45,53,55]

(79a) After the supervisor has had reasonable time to consider a grievance filed claiming violation of Paragraph (78), which shall be not more than two working days, an answer to the grievance shall thereafter be given:

[See Par. (46)]

(a) Within one working day after requested to do so by the committeeperson, or

(b) In any event after ten (10) working days of the date the grievance was filed with the supervisor.

The above time limits may be extended by mutual agreement.

(79b) If the case is not adjusted by the supervisor, it may, within three (3) working days of the supervisor's written answer, be appealed by the Shop Committeeperson for the Zone, or another member of the Shop Committee, or the Chairperson of the Shop Committee to the next step, as provided below, by giving written notice to the Personnel Department.

[See Par. (46),(79d)]

(79c) Within three (3) working days of receipt of the appeal, the case will be considered at a Special Step of the Grievance Procedure by not more than three representatives of the Union, including the District Committeeperson, the Shop Committeeperson for the zone or another member of the Shop Committee, and the Chairperson of the Shop Committee, and not more than three representatives of Management, at least one of whom shall be a member of higher supervision.

In the multi-shift operations, the District Committeeperson or the Shop Committeeperson from the opposite shift(s) may, by mutual agreement, attend

the Special Step Meeting when a standards dispute exists on the same operation on more than one shift. An additional representative of management may also attend the Special Step Meeting in these situations. The schedule for such meetings will be established at a time mutually convenient to the participants.

[See Par. (46)]

(79d) After a case is appealed to the Special Step and prior to the meeting on the case at that step, a member of the Shop Committee who will participate in the Special Step meeting may make a further investigation of the case as provided in Paragraph (33).

[See Par. (46),(79b)]

(79e) Within five (5) working days of this Special Step meeting, higher supervision will give a written answer. If the case is not settled at this step, the Chairperson of the Shop Committee may, within three working days appeal the case by submitting to Management a "Notice of Unadjusted Grievance." Thereafter the case will be handled in accordance with Step Three of the Grievance Procedure Section, except that "Statements of Unadjusted Grievance" need not be exchanged and the 30-day time limit for "Notice of Appeal" by the Regional Director, referred to in Paragraph (38), shall run from the date of the answer given by Management at the Special Step of the Grievance Procedure. Plant entry as provided in Paragraph (38) may be made after the "Notice of Unadjusted Grievance" has been filed and before the Appeal Meeting.

[See Par. (37),(46)]

(79f) The time limits specified above may be extended by mutual agreement in writing. Any case not appealed from one step of this procedure to the next within the time limits specified will be considered closed on the basis of the last decision given.

[See Par. (46)]

(79g) After a production standards grievance is filed on a job, the Committeeperson representing the employee who filed the grievance will be informed in writing of any change in work content which results in an increase or decrease in work content or which is made in an attempt to adjust the grievance.

[See Par. (46)]

(79h) In the event a standard has not been established on a job, an employee who is following the prescribed method and using the tools provided in the proper manner and performing at a normal pace, will not be disciplined for failure to obtain an expected amount of production on that job.

[See Par. (46)]
[See Doc. 54]

(79i) If a production standards grievance is settled in writing and the employee who signed the grievance is subsequently replaced by another employee and if, thereafter, additional work is added to the job without any other change having occurred which affects the job, the District Committeeperson may initiate a grievance alleging that the additional work constitutes a violation of the settlement.

[See Par. (46)]
[See Doc. 52,55]

CALL-IN PAY

(80) Any employee called to work or permitted to come to work without having been properly notified that there will be no work, shall receive a minimum of four hours' pay at the regular hourly rate, except in cases of labor disputes, or other conditions beyond the control of the Local Management.

[See Par. (101)(i)]
[See Doc. 84]

WORKING HOURS

(For the purposes of computing overtime premium pay)

[See Par. (71),(101)(i),(127)(d)(3)]
[See Memo-Overtime]
[See Doc. 83]

(81) For the purpose of computing overtime premium pay, the regular working day is eight hours and the regular working week is forty hours.

(82) Employees will be compensated on the basis of the calendar day (midnight to midnight) on which their shift starts working, for the regular working hours of that shift. Their working week shall be a calendar week beginning on Monday at the regular starting time of the shift to which they are assigned.

[See Par. (87)(1)]
[See App. K, Att.B(12)]
[See Doc. 2]
[See CSA #11]

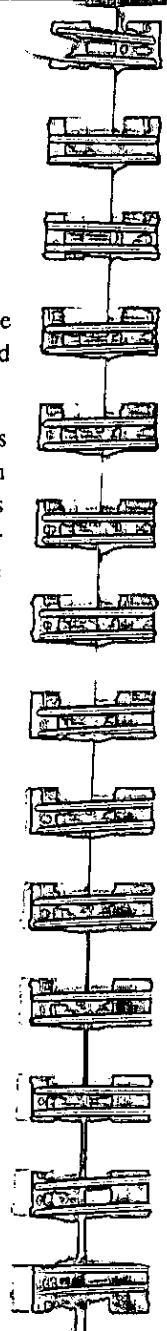
(83) Hourly employees will be compensated as follows:

Straight Time

(84) (a) For the first eight hours worked in any continuous twenty-four hour period, beginning with the starting time of the employee's shift.

(b) For the first forty hours worked in the employee's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned.

(c) For time worked during the regular working hours of any shift which starts on the day before and continues into a specified holiday or a Saturday.



Time and One-Half

[See Doc. 1,4]

(85) (a) For time worked in excess of eight hours in any continuous twenty-four hours, beginning with the starting time of the employee's shift, except if such time is worked on a Sunday or holiday when double time will be paid as provided below.

(b) For time worked in excess of forty hours in the employee's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned.

(c) For time worked on any shift which starts on Saturday.

Double Time

(86) For time worked during the first eight (8) hours worked on any shifts that start on Sundays and on each holiday specified in Paragraph (203); for time worked on the calendar Sunday or specified holiday in excess of the first eight (8) hours worked on any shift that starts on Sunday or one of the specified holidays; and for time worked on a Sunday or specified holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into Sunday or one of the specified holidays.

[See Par. (213)]
[See Doc. 2,3,4]
[See CSA #11]

Exceptions to Above Overtime Payment

(87) Employees working in necessary continuous seven-day operations whose occupations involve work on Saturdays and Sundays shall be paid time and one-half for work on these days only for time worked in excess of eight hours per day or in excess of forty hours in the employee's working week, for which overtime has not already been earned, except as otherwise provided in paragraph (1) below:

[See Par. (206)]

(1) Such employees shall be paid time and one-half for hours worked on the employee's sixth work day in the week.

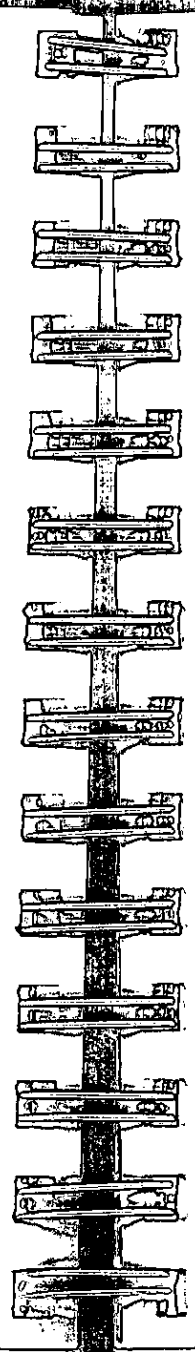
[See Par. (82)]

(2) Such employees shall be paid double time for hours worked on the 7th work day in the calendar week if the 7th work day results from being required to work on their scheduled off day(s) in that calendar week, or for hours worked on a Sunday if that Sunday is their second scheduled off day in that calendar week.

(3) Such employees will be paid double time and one-half (2.50 times straight time) for the first eight (8) hours worked on any shift that starts on any of the holidays listed in Paragraph (203); for time worked on the calendar holiday in excess of the first eight (8) hours worked on any shift that starts on any such holiday; and for time worked on the calendar holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into any such holiday; provided, however, that if the particular holiday falls on their regularly scheduled off day(s) and they receive holiday pay pursuant to Paragraph (206) of this Agreement, they will be paid double time instead of double time and one-half for such hours worked. In the case of the employees who work 6 or 7 days during the work week, the first 8 hours worked at double time and one-half or double time, as the case may be, on shifts starting on such holidays shall be counted in computing overtime for work in excess of 40 hours in their working week.

(4) Such employees will be paid time and one-quarter (1.25 times straight time) for hours worked on the 7th work day in the calendar week, unless such hours are payable at an overtime premium rate under any other provision of this Agreement.

(5) If such employees receive holiday pay pursuant to Paragraph (206) for a particular holiday on



which they do not work, that holiday will be counted as a day worked for the purpose of computing sixth or seventh day premium under sub-paragraphs (1), (2), and (4) above.

(6) Such employees shall be paid an additional thirty cents (30¢) per hour for time worked, which shall be included in computing vacation entitlement pay, Independence Week Shutdown pay, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, overtime and night shift premium.

Premium payments shall not be duplicated for the same hours worked under any of the terms of this Section.

Change in Shift Hours

(88) Any change in the established shift hours or lunch period shall be first discussed with the Shop Committee as far in advance as possible of any such change; however, if the length of an employee's established lunch period is extended on a temporary basis for a given day, the net amount of time by which the lunch period is so extended shall be considered as time worked for that day. Complaints of repeated violations of this paragraph will be handled under the provisions of Paragraph 5(a) of the National Agreement. For the purposes of this Special Procedure only, prior to being referred from the plant, the problem will be discussed between the Shop Committee, the Regional Servicing Representative, the Plant Manager and the Plant Personnel Director.

[See Doc. 79]

Night Shift Premiums

(89) A night shift premium on night shift earnings, including overtime premium pay, will be paid to employees for time worked on shifts scheduled to start in accordance with the following chart:

Schedule Shift Starting Time	Amount of Regular Shift Premium	Amount of Conditional Shift Premium
(1) On or after 11:00 a.m. and before 7:00 p.m.	Five per cent	Ten percent for all hours worked after 12 midnight when such employee is scheduled to work more than nine (9) hours and until or beyond 2:00 a.m.
(2) On or after 7:00 p.m. and on or before 4:45 a.m.	Ten percent	
(3) After 4:45 a.m. and before 6:00 a.m.	Ten percent until 7:00 a.m.	
(4) On or after 6:00 a.m. and before 11:00 a.m.	None	Five percent for all hours worked in excess of eight (8) when such employee is scheduled to work twelve (12) or more hours.

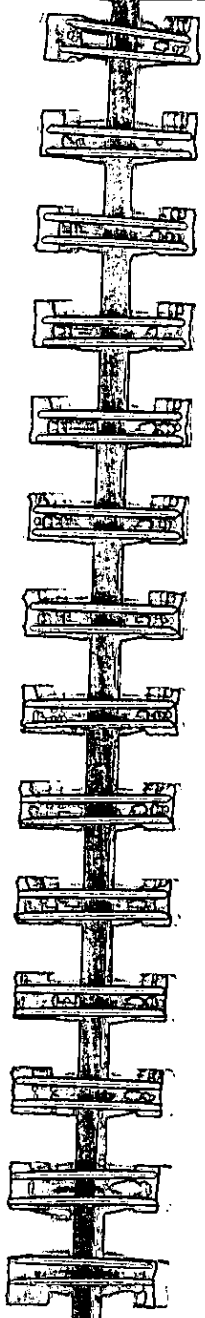
In applying the above night shift premium provisions, employees shall be paid the premium rate, if any, which attaches to the shift they work on a particular day.

[See Par. (87)(6),(101)(i),(205)-(205a)]

Special Three-Shift Operations

(89a) This paragraph is not intended to change any present practice, or preclude the readoption of a prior practice, whereby it is possible to schedule certain operations on a three-shift, eight hours of work per shift basis with special provisions for lunch. Where it is not possible or practicable on three-shift operations to establish schedules of 8 hours of work each shift, work shifts will be established on the basis of arrangements for a lunch period not in excess of 20 minutes being provided during the shift period without loss of pay.

The above provisions shall not preclude necessary temporary variations in schedules.



The above provisions shall not be applicable in any plant located in a state wherein a statute or administrative ruling requires the granting or establishment of lunch or meal periods of more than 20 minutes.

[See Doc. 85]
[See CSA #11]

WAGE PAYMENT PLANS

(90) Wage payment plans are a matter of local negotiation between the Plant Managements and the Shop Committees, subject to appeal in accordance with the Grievance Procedure.

[See Par. (46),(97)]

(91) ***(This paragraph was deleted during 1993 National Negotiations.)***

UNION BULLETIN BOARDS

(92) The plants covered by this Agreement will erect bulletin boards which may be used by the Union for posting notices bearing the written approval of the President of the Local Union or the Chairperson of the Shop Committee and restricted to:

[See Par. (46),(93)]
[See Doc. 6]
[See CSA #5]

(a) Notices of Union recreational and social affairs.

(b) Notices of Union elections.

(c) Notices of Union appointments and results of Union elections.

(d) Notices of Union meetings.

(e) Notices concerning bona fide Union activities such as: Cooperatives; Credit Unions; and Unemployment Compensation information.

(f) Other notices concerning union affairs which are not political or controversial in nature.

The Union will promptly remove from such Union bulletin boards, upon the written request of management, any material which is libelous, scurrilous, or detrimental to the labor-management relationship.

(93) The number, location and size of such bulletin boards in each bargaining unit under this Agreement shall be decided by the local Management and the Shop Committee.

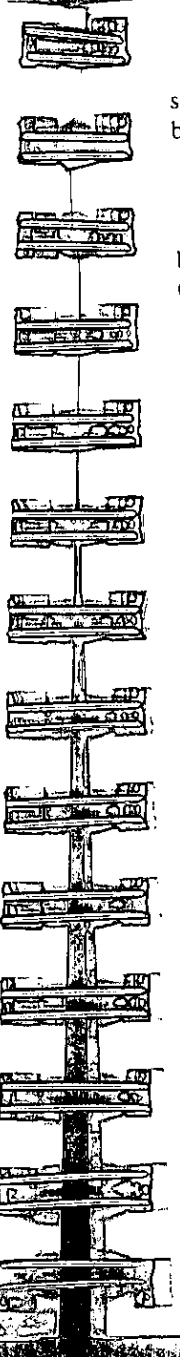
[See Par. (46),(92)]
[See Doc. 6]
[See CSA #5]

(94) There shall be no other posting by employees, of pamphlets, advertising or political matter, notices, or any kind of literature upon Corporation property other than as herein provided.

[See Doc. 6]
[See CSA #5]

ESTABLISHMENT OF NEW PLANTS

(95) For twenty-four months after production begins in a new plant (including a non-represented plant), the Corporation will give preference to the applications of laid off employees having seniority in other plants over applications of individuals who have not previously worked for the Corporation, provided their previous experience in the Corporation shows that they can qualify for the job. When employed, such employees will have the status of temporary employees in the new plant. Such employees will retain their



seniority in the plant where originally acquired until broken in accordance with the seniority rules herein.

[See Par. (56),(64)]
[See App. K IV(C)15]

(96) When there is a transfer of major operations between plants, the case may be presented to the Corporation and, after investigation, it will be reviewed with the International Union in an effort to negotiate an equitable solution, in accordance with the principles set forth in the previous paragraph. Any transfer of employees resulting from this review shall be on the basis that such employees are transferred with full seniority, except as the parties may otherwise mutually agree.

[See App. A:K,IV(C)15]
[See Doc. 104]

(96a) (1) An employee whose seniority is transferred between General Motors plants pursuant to Paragraph (96) of this Agreement will be paid a Relocation Allowance, provided:

[See App. K,II.(B)]
[See Doc. 20]

(a) The plant to which the employee is to be relocated is outside the Area Hire Area as defined by the National Parties, and

(b) Application is made within six (6) months after commencement of employment at the plant to which the employee was relocated in accordance with the procedure established by the Corporation.

(2) When employees are relocated, they will be given a choice from the following Relocation Packages:

(a) Option 1- Enhanced Relocation:

Employees will receive a Relocation Allowance up to a maximum of $25,000, $5,000 of

which will be provided as a signing bonus to cover miscellaneous up-front cash expenditures. An additional amount of $15,000 will be paid to the employee at the new location.

In addition, spousal relocation assistance will be provided.

After one (1) year of employment, employees may receive $5,000 if they continue to be employees of the new location.

Employees who are placed in accordance with Appendix A and accept the Enhanced Relocation Allowance will not be eligible to initiate another Extended Area Hire placement or initiate an Area Hire placement as an active employee for a period of 36 months unless the employee's status changes to laid off or Protected. In the event the plant has employees on permanent indefinite layoff or placed on Protected status with no likelihood of recall into the active workforce, the 36 month period will be eliminated.

Employees receiving the Enhanced Relocation Allowance will terminate their seniority at all other GM locations and, therefore, not be eligible for recall/rehire or Return to Former Community.

(b) Option 2 - Basic Relocation:

Employee will receive Relocation Allowance based on mileage relocated from plant of layoff to plant of hiring based on the following table:

Mileage	Relocation Allowance Amount
50-99	$3,038
100-299	$3,347
300-499	$3,511
500-999	$4,146
1000+	$4,767

The employee who accepts the Basic Relocation Option will be eligible to apply for return to former community or an Extended Area Hire application in accordance with the Memorandum of Understanding Employee Placement (Section VIII - Return to Former Community and Section II - Extended Area Hire) after working at the plant of relocation for a period of six (6) months or upon indefinite layoff from the plant of relocation.

Employees from an idled or closed location or employees from a location not included in an Area Hire Area with no prospect of recall who relocate in excess of 200 miles under the Basic Relocation Option will receive the specified relocation amount and an additional $1,280.

[See App. A]

(3) In the event an employee who is eligible to receive Relocation Allowance under these provisions is also eligible to receive a relocation allowance or its equivalent under any present or future Federal or State legislation, the employee must apply for such legislated relocation allowance prior to receiving any Relocation Allowance excluding the signing bonus provided in Paragraph (96a)(2)(a) above. The amount of Relocation Allowance provided under this Paragraph (96a), when added to the amount of relocation allowance provided by such legislation, shall not exceed the maximum amount of the Relocation Allowance the

employee is eligible to receive under the provisions of this paragraph.

(4) Materials designed to assist employees who relocate under the provisions of Paragraph (96) or the Memorandum of Understanding Employee Placement will be updated. Such materials will include information covering topics such as:

- Moving Household Goods
- Community Services
- Contractual Rights and Responsibilities
- New Community Orientation
- New Plant and Product Orientation
- Health and Safety
- Legal Services
- Relocation Allowance
- TAA or other Government Benefits
- Work/Family Program
- Real Estate Services

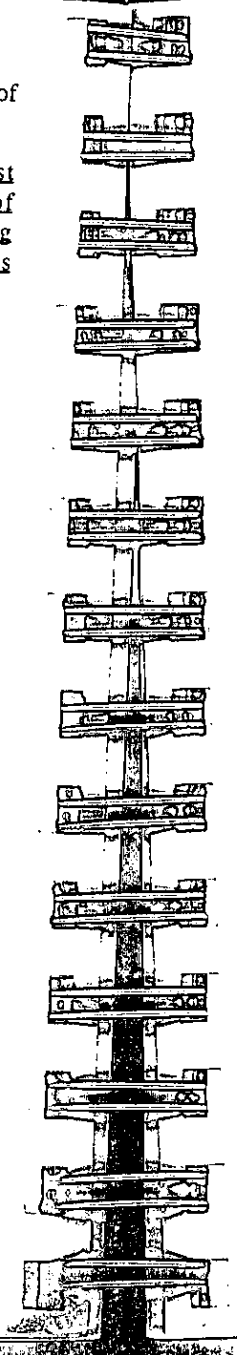
All materials developed regarding these topics are to be consistent with services available to laid off employees under the provisions of Document No. 110, Dislocated Workers.

National and/or local training funds will be used to support the efforts required to provide the above assistance.

[See App. A]

WAGES

(97) The establishment of wage scales for each operation is necessarily a matter for local negotiation



and agreement between the Plant Managements and the Shop Committees.

[See Par. (46),(89a),(90)]
[See Doc. 85]
[See CSA #11]

(98) New employees hired on or after the effective date of this Agreement, who do not hold a seniority date in any General Motors plant and are not covered by the provisions of Paragraph (98b) below, shall be hired at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

[See Par. (99),(101)(g)]
[See Doc. 87]
[See CSA #10]

(1) seventy-five (75) percent of the maximum base rate of the job classification at the expiration of twenty-six (26) weeks.

(2) eighty (80) percent of the maximum base rate of the job classification at the expiration of fifty-two (52) weeks.

(3) eighty-five (85) percent of the maximum base rate of the job classification at the expiration of seventy-eight (78) weeks.

(4) ninety (90) percent of the maximum base rate of the job classification at the expiration of one hundred and four (104) weeks.

(5) ninety-five (95) percent of the maximum base rate of the job classification at the expiration of one hundred and thirty (130) weeks.

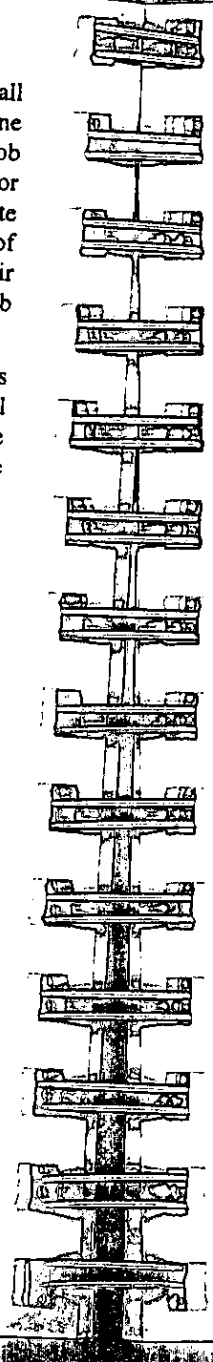
(6) the maximum base rate of the job classification at the expiration of one hundred and fifty-six (156) weeks.

Such an employee who is laid off prior to acquiring seniority and who is re-employed at that plant within

one year from the last day worked prior to layoff shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Upon such re-employment, the credited rate progression period of an employee's prior period of employment at that plant shall be applied toward their rate progression to the maximum base rate of the job classification.

For the purpose of applying the provisions of this Paragraph (98), (98a), and (98b) only, an employee will receive one week's credit toward acquiring the maximum base rate of the job classification provided the employee had worked in that given week. Credit will not be given for any week during which for any reason, the employee does not work except as provided in Paragraph (108) and when the Christmas Holidays consists of a full week and the Independence Week Shutdown, provided the employee would otherwise have been scheduled to work. Notwithstanding other provisions of this Agreement, full weeks of time lost for vacation during the Plant Vacation Shutdown Week, bereavement, military duty and Family Medical Leave Act, if the employee would otherwise have been scheduled to work, will be considered as time worked. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of weeks of employment.

(98a) Laid-off seniority employees hired in a job classification other than skilled trades, shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification they had attained prior to layoff from their former General Motors plant. Such employees shall continue to be covered by the rate progression provisions in effect during their prior General Motors employment. Upon such re-employment, the credited



rate progression period of the employees' prior period of employment at their former General Motors plant shall be applied toward their rate progression to the maximum base rate of the job classification.

[See Par. (99),(101)(g)]
[See CSA #10]

(98b) New employees rehired under the provisions of Paragraph (64)(e) or (64)(f)(3) on or after the effective date of this Agreement, shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification they had attained in their prior General Motors employment. Such employees shall continue to be covered by the rate progression provisions in effect during their prior General Motors employment. Upon such re-employment, the credited rate progression period of the employees' prior period of employment at General Motors shall be applied toward their rate progression to the maximum base rate of the job classification.

[See Par. (99),(101)(g)]
[See CSA #10]

(99) The foregoing Paragraph (98), (98a), and (98b), shall not apply to job classifications covered by the Skilled Trades section of this Agreement.

[See Par. (119)-(183)(e)]

(99a) Laid-off seniority employees hired in a secondary plant pursuant to Appendix A for the same skilled trades work they performed in their base plant, shall be hired at a rate which is in the same position in cents per hour relative to the maximum rate of the classification in the secondary plant as the rate they were receiving at their base plant was to the maximum rate at that plant, but not more than the maximum rate of the classification in the secondary plant.

[See Par. (181a)]

(100) It is understood that local wage agreements consist of the wage scale by job classifications as were in effect in the local wage agreements as of the effective date of this Agreement, plus any written changes, additions or supplements thereto. Any changes, additions or supplements thereto shall be reduced to writing and are subject to the approval of the Corporation and the International Union.

[See Par. (102),(220)]
[See CSA #9,#10]

(101) (a) (1) General Increases. Effective September 19, 2005, each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost of living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time Hourly Wage Rates	Wage Increases
Less than - 25.25	50¢
25.25 - 25.74	51¢
25.75 - 26.24	52¢
26.25 - 26.74	53¢
26.75 - 27.24	54¢
27.25 - 27.74	55¢
27.75 - 28.24	56¢
28.25 - 28.74	57¢
28.75 - 29.24	58¢
29.25 - 29.74	59¢
29.75 - 30.24	60¢
30.25 - 30.74	61¢
30.75 - 31.24	62¢
31.25 - 31.74	63¢
31.75 - 32.24	64¢
32.25 - 32.74	65¢
32.75 - 33.24	66¢
33.25 - 33.74	67¢
33.75 - 34.24	68¢
34.25 - 34.74	69¢
34.75 - 35.24	70¢
35.25 - 35.74	71¢

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

[See Par. (101)(c),(101)(g)]
[See CSA #16]

(101) (a) (2) Effective September 18, 2006, each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost-of-living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Table II

Straight Time Hourly Wage Rate	Improvement Factor Increase
Less than - 25.50	76¢
25.50 - 25.83	77¢
25.84 - 26.16	78¢
26.17 - 26.49	79¢
26.50 - 26.83	80¢
26.84 - 27.16	81¢
27.17 - 27.49	82¢
27.50 - 27.83	83¢
27.84 - 28.16	84¢
28.17 - 28.49	85¢

28.50 - 28.83	.86¢
28.84 - 29.16	.87¢
29.17 - 29.49	.88¢
29.50 - 29.83	.89¢
29.84 - 30.16	.90¢
30.17 - 30.49	.91¢
30.50 - 30.83	.92¢
30.84 - 31.16	.93¢
31.17 - 31.49	.94¢
31.50 - 31.83	.95¢
31.84 - 32.16	.96¢
32.17 - 32.49	.97¢
32.50 - 32.83	.98¢
32.84 - 33.16	.99¢
33.17 - 33.49	$1.00
33.50 - 33.83	$1.01
33.84 - 34.16	$1.02
34.17 - 34.49	$1.03
34.50 - 34.83	$1.04
34.84 - 35.16	$1.05
35.17 - 35.49	$1.06
35.50 - 35.83	$1.07
35.84 - 36.16	$1.08
36.17 - 36.49	$1.09

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such a wage rule.

[See Par. (101)(c),(101)(g)]
[See CSA #16]

(101) (a) (3) Effective September 15, 2003, each employee in a skilled trades job classification which qualifies for journeyman/woman status under the

provisions of Paragraph (178) of this Agreement shall receive a tool allowance adjustment of thirty cents (30¢) per hour added to the base rate, except each employee in a "Skilled" Apprentice job classification shall receive that wage increase, if any, which is applicable in accordance with the provisions of the Apprentice Rate Schedule set forth in Paragraph (151) of the Agreement.

[See Par. (178) and (151)]

(101) (b) Performance Bonus Payments. The Performance Bonus provided herein recognizes that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment, and a cooperative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective. Accordingly, a Performance Bonus payment will be made to each eligible employee in accordance with the following table:

Eligibility Date	Amount	Payable During Week Ending
September 20, 2004	Three percent (3%) of Qualified Earnings	October 17, 2004

An employee shall become eligible for a Performance Bonus payment as hereinafter defined, provided an employee has seniority as of the designated eligibility date set forth above.

An employee's Performance Bonus will be based on the qualified earnings during the 52 consecutive pay periods immediately preceding the pay period in which each designated eligibility date falls.

Qualified Earnings, as used herein, are defined as income received by an eligible employee from General

Motors during each designated Performance Bonus eligibility year resulting from the following:

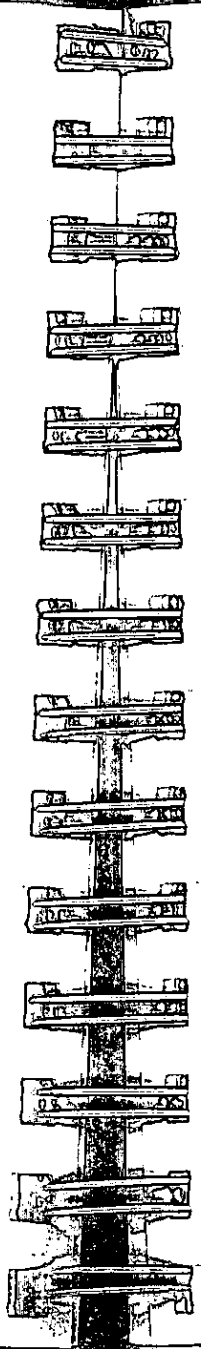
- Hourly Base Wages*
- COLA*
- Shift Premium*
- Vacation Entitlement
- Holiday Pay
- Independence Week Shutdown Pay
- Seven-Day Operator Premium
- Bereavement Pay
- Jury Duty Pay
- Apprentice Pay
- Call-In Pay
- Short Term Military Duty Pay
- Back pay awards related to the designated eligibility year.

* Including overtime, Saturday, Sunday, and Holiday premium payments

[See Par. (101)(b)(1-2)]
[See CSA #20]

(101) (b) (1) An employee who retires during the Performance Bonus eligibility year provided in (101)(b) and who, but for such retirement, would have had seniority as of the designated eligibility date, shall qualify for the Performance Bonus as defined in (101)(b).

(101) (b) (2) In the case of employees who die during the Performance Bonus eligibility year, a Performance Bonus shall become payable as if they were seniority employees on the designated eligibility date and calculated based on their Qualified Earnings during the eligibility year as defined in (101)(b) above. Such Performance Bonus shall be paid to their duly appointed legal representatives, if there be one, and, if not, to the spouses, parents, children, or other relatives or dependents of such persons as the Corporation in its discretion may determine.



(101) (c) The increases in base rates provided for in Paragraphs (101)(a)(1) and (101)(a)(2) shall be added to the wage rates (minimum, intermediary and maximum) for each classification.

(101) (d) **Cost of Living Allowance.** Each employee covered by this Agreement shall receive a Cost of Living Allowance in accordance with the provisions of Paragraphs (101)(g) and (101)(h).

It is agreed that only the Cost of Living Allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living.

[See Par. (101)(e)]
[See Doc. 87]

(101) (e) The Cost of Living Allowance provided for in Paragraph (101)(d) shall be added to each employee's hourly wage rate and will be adjusted up or down as provided in Paragraphs (101)(g) and (101)(h).

(101) (f) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (current series)(CPI-W)(for all items, less medical care, not seasonally adjusted) (United States City Average) published by the Bureau of Labor Statistics (1982 - 1984 = 100).

[See Doc. 87]

(101) (g) Effective with the date of this Agreement, $2.00 shall be deducted from the $2.05 Cost of Living Allowance in effect immediately prior to that date and $2.00 shall be added to the base wage rates (minimum, intermediary and maximum) for each classification in effect on that date, for pay calculation purposes. Thereafter, during the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

Effective Date of Adjustment:	Based Upon Three-Month Average of the Consumer Price Index For:
December 1, 2003	August, September, October, 2003
First pay period beginning on or after: March 1, 2004 and at three-calendar month intervals thereafter to June 4, 2007.	November, December, 2003 and January, 2004 and at three-calendar month intervals thereafter to February, March, April, 2007.

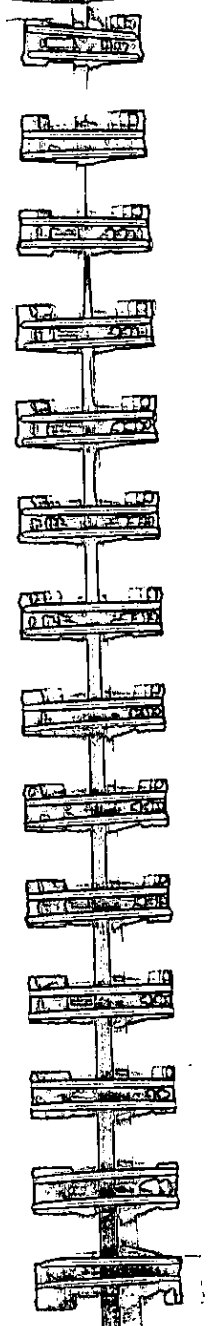
In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.01 Index Point.

In no event will a decline in the three-month average Consumer Price Index below 174.12 provide the basis for a reduction in the wage scale by job classification.

[See Par. (101)(d),(101)(e),(101)(h)]
[See Par. (101)(j),(101)(k),(190)]
[See CSA #10]

(101) (h) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending November 30, 2003. Effective December 1, 2003 and for any period thereafter as provided in Paragraphs (101)(d) and (101)(g), the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost of Living Allowance
174.12 or less	None
174.13 - 174.20	1¢ per hour
174.21 - 174.28	2¢ per hour
174.29 - 174.36	3¢ per hour
174.37 - 174.44	4¢ per hour
174.45 - 174.53	5¢ per hour



174.54 - 174.61	6¢ per hour
174.62 - 174.69	7¢ per hour
174.70 - 174.77	8¢ per hour
174.78 - 174.85	9¢ per hour

And so forth, in accordance with the Letter of Understanding signed by the parties.

For each adjustment during the fifteen three-month periods beginning December 1, 2003, and ending on June 3, 2007, in which an increase in the Cost of Living Allowance shall be required according to the above table, the amount of increase so required each three month period shall be reduced by two cents (2¢), or by the amount of the increase, whichever is less.

Following the adjustment for the three-month period beginning June 4, 2007, the sum reduced during the fifteen periods shall be subtracted from the Cost of Living Allowance table, and the table shall be adjusted so that the actual three-month Average Consumer Price Index equates to the allowance payable during the period beginning June 4, 2007.

[See Par. (101)(e)]
[See Doc. 87]

(101) (i) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation payments, Independence Week Shutdown pay, holiday payments, call-in pay, bereavement pay, jury duty pay, and short-term military duty pay.

(101) (j) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (101)(g) any adjustments in the Cost of Living Allowance required by such appropriate Index shall be effective at the beginning of the first pay period after receipt of the Index.

(101) (k) No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures used in the calculation of the Consumer Price Index for any month or months specified in Paragraph (101)(g).

(101) (l) The parties to this Agreement agree that the continuance of the Cost of Living Allowance is dependent upon the availability of the monthly Consumer Price Index published by the Bureau of Labor Statistics in its present form and calculated on the same basis as the current Index unless otherwise agreed upon by the parties. If the Bureau of Labor Statistics changes the form or the basis of calculating the Consumer Price Index, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index was prior to such change.

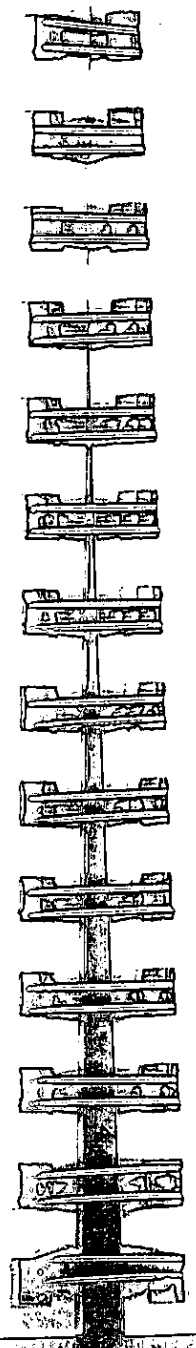
[See Par. (101)(f)]

New Jobs

(102) When new jobs are placed in production and cannot be properly placed in existing classifications by mutual agreement, Management will set up a new classification and a rate covering the job in question, and will designate it as temporary. A copy of the temporary rate and classification name will be furnished to the Shop Committee.

[See Par. (8),(100)]
[See App. I]

(102a) As soon as possible after machinery and other equipment have been installed, and in any event, within 30 calendar days after a production employee has been placed on the job, the Shop Committee and Management shall negotiate the rate and classification, and when negotiations are completed, such classification and rate shall become a part of the local wage agreement, and the negotiated rate, if higher than the temporary rate shall be applied retroactively to the



date the production employees started on the job, except as otherwise mutually agreed.

LEAVES OF ABSENCE

Informal Leaves of Absence

(103) A leave of absence may be granted for personal reasons for a period not to exceed thirty days, upon application of employees to and approval by their respective supervisors. Such leaves of absence shall not be renewed and seniority will accumulate during the leave.

[See Par. (111)]

Formal Leave of Absence for Personal Reasons

(104) Employees requesting formal leave of absence shall first make application in writing to the Personnel Department on the form provided. Such leave of absence will be granted to employees for not more than ninety days on approval of the Local Management when the services of the employees are not immediately required and there are employees available in the plant capable of doing their work. A formal leave of absence may be granted under the foregoing conditions for not more than 150 days provided that employees do not work in any occupation for their own gain during such leave of absence unless mutually agreed by the Company and the Union. A formal leave of absence may be granted under the foregoing conditions for a period exceeding 150 days but not to exceed 180 days if required for the purpose of traveling to a foreign country.

[See Par. (105a),(111)]

(105) Such leaves of absence may be extended but the approval of the Manager of the Plant, or designated representative, is required in such cases. Seniority will accumulate during the period of formal leave of absence. Such formal leaves of absence will not be

granted to employees who are laid off, and will not be extended for employees who would have been laid off had they been working during their leave.

[See Par. (105a),(111)]

(105a) Subject to the provisions of Paragraphs (104) and (105), a formal leave of absence may be granted to employees for service in the Peace Corps, and, if circumstances require, the duration of the original leave may be for a period up to thirty months.

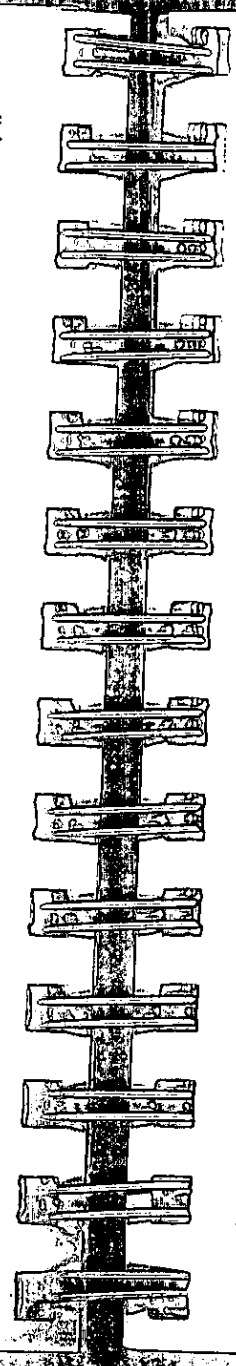
[See Par. (111),(137)(c)(1)]
[See App. C]

Sick Leave of Absence

(106) Employees who are known to be ill supported by satisfactory evidence, will be granted sick leave automatically for the period of continuing disability. Except as otherwise provided in Paragraph (111)(c), seniority of such employees shall accumulate during sick leave and shall be broken, figured from the date the sick leave started, on the same basis as provided in Paragraph (64e) for laid off employees breaking seniority. Not later than thirty (30) calendar days prior to such loss of seniority, Management will send a letter to each affected employee's last known address as shown on the Company records reminding them of the fact that their seniority is subject to being broken as provided above. A copy of such letter will be furnished promptly to the Chairperson of the Shop Committee. However, failure through oversight to send this letter to such employees or furnish a copy to the Chairperson of the Shop Committee will not be the basis for any claim.

[See Par. (108),(111),(137)(c)(1)]
[See App. B,C]
[See Doc. 78]

(107) Temporary employees without seniority shall not receive credit for time off sick toward the ninety (90) days of employment required to acquire seniority, except as provided in Paragraph (108) and Appendix D,



and in no case shall a temporary employee's name be placed on the seniority list while away from work on sick leave.

[See Par. (57)]

(108) An employee who has sustained a legal compensable injury or disease and has accrued three (3) or more years of seniority at the commencement of such injury or disease shall be automatically granted a compensable leave for the full period the employee is not working due to the compensable injury and is receiving Worker's Compensation Benefits under a State or Federal Worker's Compensation Law. The employee will continue to accrue seniority for the full period of such leave.

An employee who has sustained a legal compensable injury or disease with less than three (3) years of seniority at the commencement of such injury or disease shall be granted a compensable leave for the full period the employee is not working due to the compensable injury and is receiving Worker's Compensation Benefits under a State or Federal Worker's Compensation Law. The employee will continue to accrue seniority for the full period of temporary disability. In the event that such disability of an employee with less than three (3) years of seniority is determined to be permanent by the appropriate State or Federal authority, the Corporation shall have the right to convert the status of such employee to a Paragraph (106) Leave as of the date of such determination. In the event of such conversion, Management will send written notification of the employee's change in status to the affected employee's last known address as shown on the company records. A copy of such letter will be furnished promptly to the Chairperson of the Shop Committee. However, failure through oversight to send this letter to such employees will not be a basis for any claim.

Temporary employees disabled by a compensable injury shall be given credit for the period of such legal temporary disability toward acquiring seniority.

[See Par. (57),(72),(106),(107),(111)]
[See Par. (137)(c)(1),(195)]
[See App. B,C,D]

Leave of Absence for Union Activity

(109) Employees elected to a permanent office in, or as a delegate to, any labor activity necessitating a leave of absence, shall be granted such leave for a minimum of the first half or the second half of their shift and not to exceed one year and shall, at the end of the term in the first instance, or at the end of the mission in the second instance, be guaranteed reemployment if there is sufficient work for which they are in line at the then current rate of pay. Written notice for such leaves, giving the length of leave, shall be given the local Plant Management as far in advance as possible but in no event later than the day prior to the day such leave is to become effective. Seniority will accumulate during the period of such leaves.

[See Par. (111)]

(109a) Leaves of absence may be granted to employees for other Union activities and seniority shall accumulate during such leaves. Such leaves will be granted only when requests are made in writing to the Industrial Relations Staff of the Corporation in Detroit by the President of the International Union or the head of the department of the International Union at Detroit which handles matters under this Agreement.

[See Par. (111)]

Leave of Absence for Public Office

(110) Employees with seniority elected to public office may make written application for a leave of absence for the period of their first term of active

service in such elective office. Additional leaves of absence for service in elective public office may be granted at the option of local Management upon written application by such employee.

[See Par. (110b),(111)]

(110a) Employees with seniority who are appointed to a position as administrative assistant in a Congressional or Senatorial office, or to an administrative position in a State Agency, or as a Labor Representative on a Community Agency, or to a non-civil service governmental position which is not generally available to an applicant for employment, or as a full time officer in a credit union, may make written application for a leave of absence for the period of their active service in such position, not to exceed one year. Such leave may be renewed at the option of Local Management upon written application by such employee.

[See Par. (110b),(111)]

(110b) Employees granted a leave of absence under Paragraph (110) or (110a), shall be guaranteed reemployment, at the then current rate of pay, if there is sufficient work available which they are capable of doing and to which they may be entitled on the basis of seniority. Seniority will accumulate during the period of such leaves.

(111) All of the above leaves of absence including sick leaves are granted subject to the following conditions:

[See Par. (112a),(113)]

(a) Employees on leave may return to work in line with their seniority before the expiration of their leave providing not less than seven (7) days' notice is given to Management. The return within the seven day period is at the option of Management. Employees who fail to return to work in accordance with the notice as

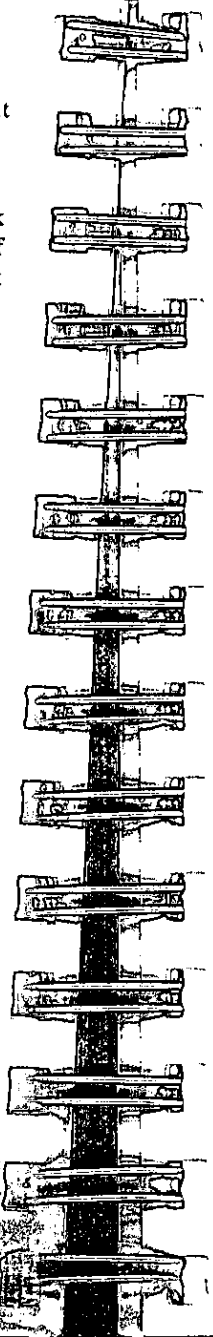
given shall be considered as having voluntarily quit unless they have a satisfactory reason.

[See Par. (106)]

(b) Employees who fail to report for work within three working days after the date of expiration of the leave, shall be considered as having voluntarily quit unless they have a satisfactory reason; provided, however, that in the case of failure to report for work within three working days after the expiration of leaves of absence granted under Paragraphs (104), (105), (109), (109a), (110), (110a) and (113), and in the case of leaves of absence granted under Paragraph (106) where management has refused to grant a requested-renewal of the leave, Management will send clear written notification to such employees' last known address as shown on the Company records, that their seniority has been broken and that it can be reinstated, if, within three specified working days after delivery or attempted delivery of such notice, they report for work or properly notify Management of their absence. A copy of such Management notification will be furnished promptly to the Chairperson of the Shop Committee. If such employees comply with the conditions set forth in the notification, their seniority will be reinstated if it has not otherwise been broken; however, such reinstatement shall not be construed as limiting the application to their cases of the Shop Rule regarding absence without reasonable cause.

[See Par. (74),(103),(112a)]
[See Doc. 78]

(c) If upon the expiration of a leave of absence there is no work available for employees in line with their seniority, or if they would otherwise have been subject to layoff according to seniority during the period of the leave, the period which breaks seniority shall start from the date of expiration of the leave, or in the case of a leave of absence under Paragraph (106), Paragraph



(113), or Paragraph (113a), the period which breaks seniority shall start from the date such employee would otherwise have been laid off.

[See Par. (64)(e),(113)]

Leave of Absence for Military Service

(112) Employees who enter either active or inactive training duty or service in the Armed Forces of the United States will be given a leave of absence subject to the conditions herein. Upon submission of satisfactory proof of pending induction for active service, such employees may arrange for the leave to begin up to thirty days prior to the induction date. The leave shall not exceed the term of the initial enlistment and one (1) consecutive re-enlistment. In no event will the period of such leave exceed a total of eight (8) years, except when additional service is involuntary. Seniority will accumulate during the period of such leave. Upon termination of such leave, employees shall be offered re-employment in their previous position or a position of like seniority, status and pay, unless the circumstances have so changed as to make it impossible or unreasonable to do so, in which event they will be offered such employment in line with their seniority as may be available which they are capable of doing at the current rate of pay for such work, provided they meet the following requirements:

[See Par. (137)(c)(1),(194)]
[See App. C]

(1) Have not been dishonorably discharged.

(2) Are physically able to do the work.

(3) Report for work within ninety days of the date of such discharge, or ninety days after hospitalization continuing after discharge.

The seniority of any employee who fails to report for work within the times specified in Paragraph (112)(3)

shall be automatically broken, unless the employee gives a satisfactory reason for such failure to report.

As used in this paragraph, "Armed Forces of the United States" is defined as and limited to the United States Army, Air Force, Navy, Marine Corps, Coast Guard, National Guard, Air National Guard or any reserve component thereof.

(112a) Employees with seniority who are spouses of employees who enter active duty service in the Armed Forces of the United States and who obtain a leave of absence in accordance with Paragraph (112), may make written application to the Personnel Department for a leave of absence for the period of the spouse's initial enlistment but in no event to exceed four (4) years. Such leaves may be granted by Local Management and will be subject to the conditions set forth in Paragraph (111). Seniority will accumulate during the period of such leaves.

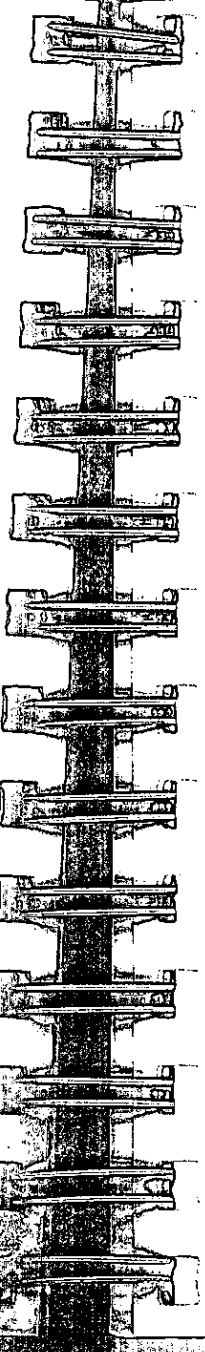
[See Par. (218a)]

Educational Leave of Absence

(113) Employee veterans who have acquired seniority and other employees with seniority of one or more years who desire to further their education, may make application for a leave of absence for that purpose.

One continuous leave of absence for such education will be granted to eligible employees for a period not to exceed twelve months, subject to the conditions set forth in Paragraph (111) of this Agreement. Additional leaves of absence may be granted, at the option of Local Management. Except as otherwise provided in Paragraph (111)(c), seniority shall accumulate during such leaves of absence.

[See Doc. 36]



Leaves of Absence - Apprentice Training

(113a) Employees with seniority selected for apprentice training at a General Motors plant other than the plant in which they are currently working may make application for a leave of absence for the time they are in apprentice training. Seniority shall accumulate at the plant granting the leave except as otherwise provided in Paragraph (111)(c) during the time they are in the apprentice training program and shall be broken at that plant upon placement as a journeyman/woman in the plant where they have completed their apprentice training program.

[See Par. (138)(c),(190)(c)]

Leaves of Absence for Service in General Motors Defense Plants

(113b) Employees whose services, because of conditions made necessary by the National Defense of the United States, are needed by the Management in a plant of the Corporation other than the plant in which they have established their seniority and who accept such employment, will be given a leave of absence from the plant in which they have their seniority for the period their services may be required in such other plant and shall accumulate seniority in the plant from which they have been given a leave of absence, during the full period of such leave.

If such employees desire to return to employment in the original plant or when the Management of the defense plant no longer requires their services, such employees may return to the original plant in which they have seniority, in accordance with their seniority status, to their former or similar jobs.

(114) An approved copy of any written leave of absence granted under the Leaves of Absence Section will be furnished to the employee.

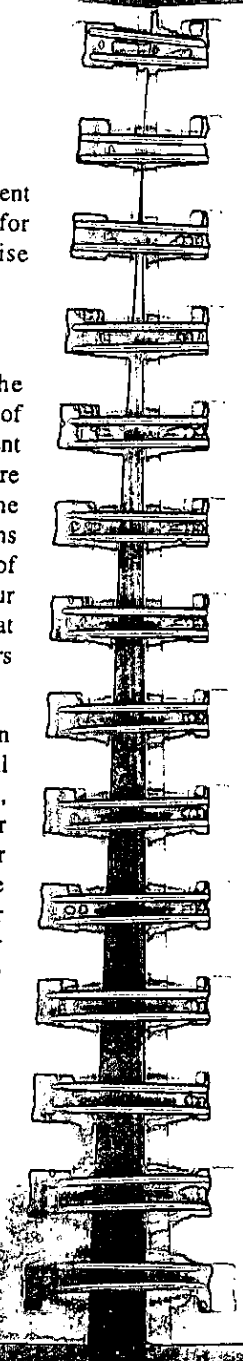
STRIKES, STOPPAGES AND LOCKOUTS

(115) It is the intent of the parties to this Agreement that the procedures herein shall serve as a means for peaceable settlement of all disputes that may arise between them.

[See Introduction]
[See Par. (5),(19)]

(116) During the life of this agreement, the Corporation will not lock out any employees until all of the bargaining procedure as outlined in this agreement has been exhausted and in no case on which the Umpire shall have ruled, and in no other case on which the Umpire is not empowered to rule until after negotiations have continued for at least five days at the third step of the Grievance Procedure. In case a lockout shall occur the Union has the option of cancelling the Agreement at any time between the tenth day after the lockout occurs and the date of its settlement.

(117) During the life of this agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down, stay-in or slow-down, in any plant of the Corporation, or any curtailment of work or restriction of production or interference with production of the Corporation. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises until all the bargaining procedure as outlined in this Agreement has been exhausted, and in no case on which the Umpire shall have ruled, and in no other case on which the Umpire is not empowered to rule until after negotiations have continued for at least five days at the third step of the Grievance Procedure and not even then unless authorized by the International Union, United



Automobile, Aerospace and Agricultural Implement Workers of America, and written notice of such intention to authorize has been delivered to the Industrial Relations Staff of the Corporation at least five (5) working days prior to such authorization. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises because of any dispute or issue arising out of or based upon the provisions of the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, Guaranteed Income Stream Benefit Program, Profit Sharing Plan, Personal Savings Plan or Legal Services Plan; nor will the Union authorize such a strike, stoppage, or picketing. In case a strike or stoppage of production shall occur, the Corporation has the option of cancelling the Agreement at any time between the tenth day after the strike occurs and the day of its settlement. The Corporation reserves the right to discipline any employee taking part in any violation of this Section of this Agreement.

[See Par. (46),(78a),(78b)]
[See App. F2]
[See CSA #12]

(118) The Union has requested this National Agreement in place of independent agreements for each bargaining unit covered hereby. Accordingly an authorized strike in one bargaining unit under this Agreement which results in an interruption of the flow of material or services to operations in any other bargaining unit under this Agreement will be considered an authorized strike in any such affected bargaining unit.

[See Sub-Exhibit D]

SKILLED TRADES

Apprentices

(119) This Section is applicable to apprentices in the plants of the Corporation covered by this Agreement.

(120) Paragraphs (63)(a) and (63)(b) shall not apply to apprentices nor to openings or vacancies in apprentice classifications.

(121) The following paragraphs shall not be applicable to apprentices:

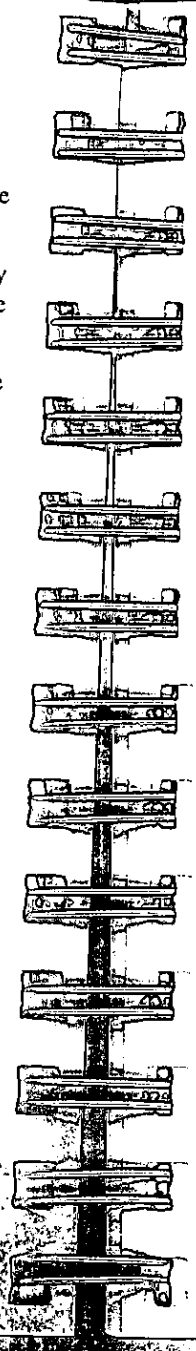
(66)(a)	(70)
(66)(b)	(71)
(66)(c)	(174)

GM-UAW Skilled Trades and Apprentice Committee

(122) A GM-UAW Skilled Trades and Apprentice Committee will be established in Detroit, composed of three representatives of General Motors and three representatives of the General Motors Department of the International Union, UAW, which shall meet monthly unless otherwise mutually agreed. The duties of this Committee shall be:

a. To review and revise the uniform shop training schedules when necessary. The shop training schedules which have been agreed to by the GM-UAW Skilled Trades and Apprentice Committee are made a part of this Agreement.

b. To review and revise the related training schedules when necessary. Example related training schedules which may be agreed to pursuant to Paragraph (123) by the GM-UAW Skilled Trades and Apprentice Committee are made a part of this Agreement.



c. To review and revise, when necessary, the GM-UAW Standard Apprentice Plan which is made a part of this Agreement.

d. To receive reports by the plants having apprentices of the number of apprentices within each training period by apprentice classification and the number of journeymen/women by classification included in the ratio of apprentices in training to journeymen/women.

[See Par. (140),(178-178a)]

e. To establish new apprentice training schedules for classifications in which such schedules have not been previously agreed upon by the GM-UAW Skilled Trades and Apprentice Committee.

f. To approve Pre-Apprentice Training Programs and to review and make disposition of other apprentice training matters referred to the Committee by the Local Apprentice Committees.

[See Par. (145)]
[See Doc. 60]
[See CSA #22]

g. To review the status of EIT programs in accordance with Appendix H.

h. To deal with other matters concerning the Apprentice and Skilled Trades Sections of this Agreement.

[See Par. (140)]
[See Doc. 64]

i. Disputes concerning the Apprentices and Skilled Trades Sections of this Agreement may be appealed to the Umpire in accordance with Paragraph (55).

[See Par. (46)]

(123) The present shop and related training schedules will remain in effect until replaced by revised

schedules. The revised schedules will be adopted for those apprentices presently in the training program to the extent that they can be integrated into such revised programs without interfering with the progress of the apprentice. If local plant requirements indicate deviation should be made in such shop or related training schedules, proposed changes must be referred to the GM-UAW Skilled Trades and Apprentice Committee, together with the reason for requesting the deviation, for consideration. The present shop training schedules which have not been agreed to, will be reviewed by the GM-UAW Skilled Trades and Apprentice Committee as soon as possible.

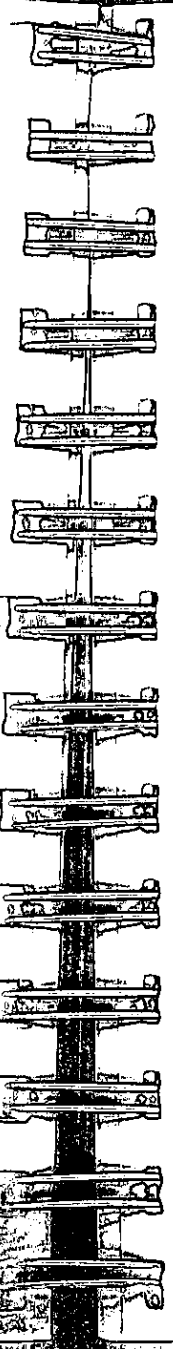
[See Par. (122),(124),(126),(149)]

Local Apprentice Committee

(124) A Local Apprentice Committee composed of two (2) Union members and two (2) Management members shall be established in each plant in which apprentices are employed. The International Union shall appoint journeymen/women from the plant as members of the Local Apprentice Committee, one of whom shall be designated as the Chairperson of the Union members of the Local Apprentice Committee. Local Management shall notify the local Union of its members, one of whom shall be designated the Apprentice Coordinator.

[See Par. (123),(126)]
[See Doc. 61,75,76]

(125) Chairpersons of the Union members of Local Apprentice Committees shall be permitted to attend regular Shop Committee meetings for the purpose of assisting in the handling of grievances of apprentices. They will be paid their regular rates for time spent in such meetings and for making the investigations provided for in this sub-paragraph for the hours they would otherwise have worked in the plant. The Chairperson of the Shop Committee may designate the



Chairperson of the Union members of the local Apprentice Committee, in lieu of a member of the Shop Committee, to make the further investigation provided for in Paragraph (33) of a grievance filed by an apprentice.

(126) The Local Apprentice Committee shall meet at a mutually agreed-upon time at least once each 30 days, unless otherwise agreed to extend the time between meetings. Apprentice Committeepersons will be paid their regular rates for time spent in such meetings and for the necessary time to properly perform their duties and functions provided for in Paragraph (127) for the hours they would otherwise have worked in the plant. Minutes of such meetings will be furnished to the Union members of the Local Apprentice Committee within seven (7) calendar days from the date of the meeting.

[See Par. (123),(124)]

(127) The duties and functions of the Local Apprentice Committee shall be as follows:

[See Par (126),(140)]

(a) To negotiate on issues involving the effect of the employment of apprentices on the employment of journeymen/women in the trades involved.

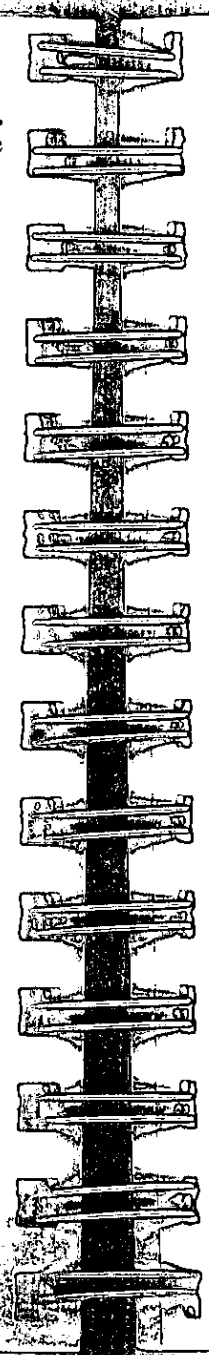
(b) To study other matters that may involve the training of apprentices by journeymen/women in the shop. When machinery, equipment or material is introduced or modified and new skills are required in the journeyman/woman classification in the plant, the matter may be reviewed to determine the effect on the shop and related training of apprentices including necessary revision of such training. If requested, arrangements will be made with the Apprentice Coordinator for the Local Apprentice Committee to investigate the new skills on the plant floor as a part of their review. When a meeting is held with the local educational institution providing related training to

implement changes in the related training curriculum, the Union members of the Local Apprentice Committee will be given the opportunity to attend.

[See Statement on Technological Progress]

(c) Progress reports of the apprentice shop and related training schedules shall be reviewed in meetings of the Local Apprentice Committee, except that upon the request of a member of the Local Apprentice Committee an individual apprentice's record shall be reviewed in a meeting of the Local Apprentice Committee once during the last thirty (30) day period prior to completion of the apprentice shop training schedule. Problems involving the improper application of the shop training schedules to individual apprentices may be raised with supervision and if necessary discussed with the apprentice on the plant floor by the Chairperson or another Union member of the Local Apprentice Committee.

(d) (1) To interview tested apprentice applicants in accordance with the Apprentice Selection Procedure. Interview results will be combined with test scores by central scoring where separate lists will be developed, one for seniority employee applicants and one for all other applicants, each list to be in descending order of points scored for each classification for which they have applied. The lists for each apprentice classification will be provided by central scoring for review by the Local Apprentice Committee. When apprentices are selected, such selections shall be on the basis of at least two from the seniority employee applicant list for every one selected from the other list in descending order of total point score in accordance with the Apprentice Selection Procedure; however, more selections from the other list may be made in the event sufficient seniority employee applicants are not available. Notwithstanding the above provisions of this Paragraph, laid off apprentices may be placed in the classification from which they were laid



off prior to the selection of new applicants from either the seniority employee applicant list or the one from all other applicants.

[See Doc. 20,62,63]

(2) When a list of qualified applicants for a classification is exhausted, additional qualified applicants may be placed on the list for that classification, but in any event additional qualified applicants will be added to the list at twelve (12) month intervals. Changes in the twelve (12) month interval referred to in this Paragraph may be recommended to the GM-UAW Skilled Trades and Apprentice Committee.

[See Doc. 63]

(3) When necessary, the Apprentice Coordinator will make arrangements to temporarily assign a Union member of the Local Apprentice Committee to another shift for the purpose of interviewing applicants or to handle specified, legitimate apprentice matters. The overtime premium pay provisions of this Agreement are hereby waived in such instances and such changes in shift for this purpose will not result in the payment of overtime premium.

[See Par. (85),(86)]

(e) All applications for apprenticeship will be available upon request for review by the Chairperson of the Union members of the Local Apprentice Committee.

(f) The Local Apprentice Committee will be provided an Interview List containing the name, social security number, date of birth, plant employment information and trades applied for prior to the interview. The Local Apprentice Committee will also be provided with a copy of the Final Applicant Rankings of qualified applicants eligible for selection for each classification containing the name and, in the case of employee applicants, the seniority date will be included.

(g) Employees eligible for tuition assistance who express a desire to enter the apprentice program will be advised by a member of the Local Apprentice Committee of courses that are available through the Tuition Assistance Plan which may help them become better prepared as applicants for apprentice training.

[See Memo-Tuition Assistance Plan]
[See Doc. 60]

(h) The Apprentice Coordinator and the Chairperson of the Union members of the Local Apprentice Committee may confer with new apprentices for the purpose of acquainting the apprentices with the role of the Corporation, Local Management, the Union and the National and Local Apprentice Committees in the apprentice program and to ascertain that the apprentices understand their status and obligations as apprentices in accordance with the Apprentice Training Agreement provided for in Paragraph (144).

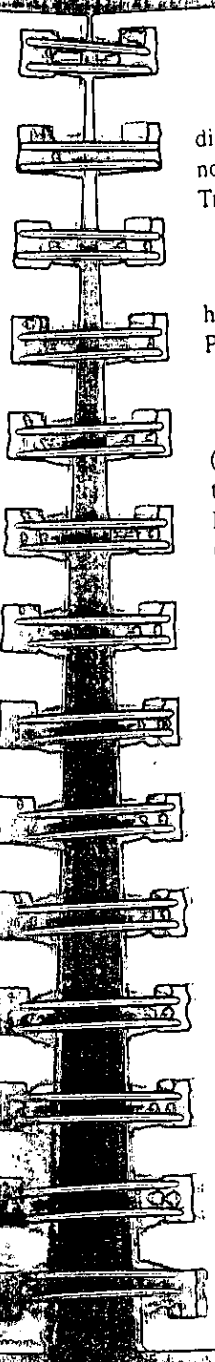
(i) The Apprentice Coordinator and the Chairperson of the Union members of the Local Apprentice Committee may confer with apprentices where there are indications that apprentices are failing to perform their obligations as apprentices.

(j) To evaluate and credit previous experience as provided for in Paragraph (132).

[See Par. (132)]

(k) To issue certificates of completion of apprenticeship as provided for in Paragraph (150).

(l) Each six months the Chairperson of the Union members of the Local Apprentice Committee will be furnished with a list of the number of apprentices in each training period by classification and the number of journeymen/women by classification included in the ratio of apprentices in training to journeymen/women.



(m) Apprentice training matters which are discussed by the Local Apprentice Committee and are not resolved may be referred to the GM-UAW Skilled Trades and Apprentice Committee for disposition.

[See Par. (145)]

(128) Grievances filed by apprentices will be handled under the Representation and Grievance Procedure Sections.

[See Par. (129)]

(129) Notwithstanding the provisions of Paragraph (128) above, problems involving apprentice related training schedules which cannot be settled locally by the Local Apprentice Committee shall not be subject to the Grievance Procedure. Such problems may be referred to the GM-UAW Skilled Trades and Apprentice Committee.

Apprenticeship Eligibility Requirements

(130) Management will review its apprentice training needs and will post on the bulletin boards a list of apprentice openings. In order to be eligible for consideration for apprenticeship, all applicants must meet the requirements for apprentice training as established in the GM-UAW Standard Apprentice Plan, including education and other tests, such as aptitude tests. To satisfy the education requirement, the applicant must be a high school graduate, or have an equivalent education such as the high school equivalency test or other methods that may be agreed upon by the GM-UAW Skilled Trades and Apprentice Committee, or meet the alternative requirements set forth in the GM-UAW Standard Apprentice Plan. The new employee applicant must be at least age 18 or otherwise consistent with applicable State and Federal laws.

[See Doc. 63]

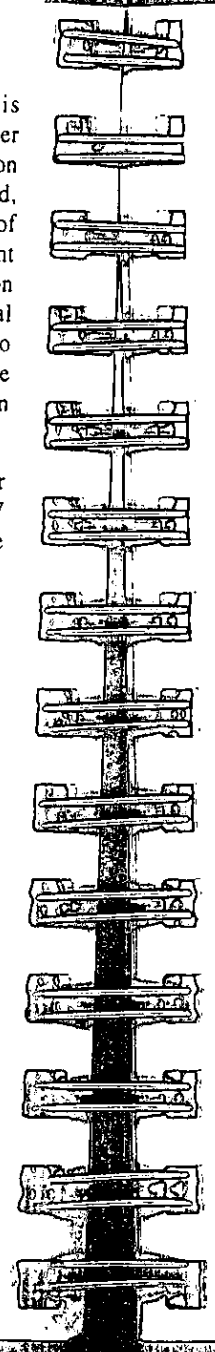
(131) Notwithstanding other provisions of this Agreement, any seniority employee in that plant other than those classified as apprentices may file an application for an opening in the apprentice program; provided, however, that where there is evidence that the filing of such applications by journeymen/women is inconsistent with skilled trades staffing objectives, such application shall be subject to review and decision by the Local Apprentice Committee. An apprentice with seniority who is scheduled to be removed from an apprenticeable classification in a reduction in force may apply for an apprentice opening in a related skilled classification.

If such applicants meet all of the requirements for apprentice training as established in the GM-UAW Standard Apprentice Plan their applications will be considered for the apprentice program (consistent with applicable State and Federal laws). When the qualifications of employee-applicants are equal, the employee-applicant with the longest seniority will be given preference. Seniority employees may file an application for an opening in the apprentice program in another General Motors plant where they will be considered as non-seniority applicants.

[See Doc. 63]

Credit for Previous Experience

(132) Credit for previous related experience in military service, an apprentice training program, or a skilled trades classification in any plant, may be given up to the total time required on any phase of the apprentice shop training or related training schedules. Credit for such previous experience shall be given to apprentices at the time they have satisfactorily demonstrated that they possess such previous experience and are able to do the job. Related training credit shall be given apprentices at the time that they have demonstrated that they possess the educational



knowledge for which they are requesting credit under the related training schedule. At the time such credit is given, the apprentice's wage rate shall be correspondingly adjusted within the apprentice rate schedule based on the amount of credit given toward completion of the shop training schedule.

[See Par. (137)(b),(143),(145)]
[See Par. (151)]

(a) Any dispute over such credit shall be referred to the GM-UAW Skilled Trades and Apprentice Committee for decision.

[See Par. (127)(j)]

Term of Apprenticeship

(133) The term of apprenticeship shall be nominally four (4) years in length, but shall be based on the number of hours actually worked. The shop schedule shall be divided into eight (8) periods of 916 hours each.

[See Par. (142),(146)]
[See CSA #22]

Seniority of Apprentices

(134) Each apprentice classification in the apprentice program shall be a separate non-interchangeable occupational group.

(135) Apprentices hired directly into an apprentice classification shall establish seniority in their non-interchangeable occupational group in accordance with Paragraphs (57) and (58).

[See Par. (137)(a)]

(136) Employees transferred to an apprentice classification shall have a date of entry in the non-interchangeable occupational group to which they are transferred and will continue to accumulate seniority in the seniority group from which they were transferred.

[See Par. (137)(a),(138)(b)]
[See App. B]

(137) (a) For the purpose only of determining the seniority status of apprentices in training, such apprentices shall have their seniority established as provided in Paragraphs (135) and (136) above.

[See Par. (137)(d)]

(b) For the purpose of layoff and rehire or other applicability in their skilled occupational group, the seniority of apprentices, upon graduation, shall be adjusted to a date which represents 50% of the time [subsequent to their seniority date established pursuant to Paragraph (57)] spent in the apprentice training program prior to July 1, 1968, and time equal to the calendar days [subsequent to their seniority date established in the plant pursuant to Paragraph (57)] spent in the apprentice program on or after July 1, 1968, including time spent out of the program on or after January 1, 1985 due to a reduction in force. In addition apprentices shall be credited with 50% of previous experience, at that plant only, for which they received credit prior to January 1, 1985 under the provisions of Paragraph (132). Such credited hours shall be converted to seniority under this Paragraph (137)(b) by crediting 7 calendar days for each 40 hours and 1 calendar day for each additional 8 hours. Graduate apprentices' journeyman/woman seniority dates shall not precede their seniority dates established pursuant to Paragraph (57). For all other purposes seniority shall be as established by the Section entitled "Acquiring Seniority."

[See Par. (137)(d)]

(c) (1) Graduate apprentices whose General Motors apprentice training was interrupted by a leave of absence under the provisions of Paragraphs (105a), Paragraph (112), by an approved leave of absence for jury duty, absences which qualify under the Bereavement Pay, Paid Absence Allowance, Paid Personal Holiday Plan under prior Agreements or Short Term Military Duty sections of this Agreement, by approved vacation time off, or by a sick leave of absence under the provisions of Paragraph (106), shall upon graduation, be given the same journeyman/woman seniority date as they would have received had they not served in the Peace Corps, entered military service, served on the jury, been on approved absence for which they received Bereavement Pay, Paid Absence Allowance, Paid Personal Holiday Pay under prior Agreements or Short Term Military Duty Pay, taken vacation time off, or been on a sick leave of absence. Credit for the portion of a sick leave of absence occurring prior to January 1, 1980, pursuant to Paragraph (106) shall not exceed an aggregate of thirty (30) calendar days within the calendar year. The period covered by a sick leave of absence pursuant to Paragraph (108) and the portion of any sick leave of absence on and after January 1, 1980, pursuant to Paragraph (106) shall be credited. Credit shall not be granted for any portion of a sick leave during the time such employees would have been laid off from their apprentice classification prior to January 1, 1985.

[See Par. (137)(d),(175)(2),(191)]
[See Par. (202b),(218),(218a)]
[See Par. (218b)]
[See App. B,C]

(c) (2) For each pay period during which apprentices work in their apprentice classification and, in the case of the pay period in which the full week of Christmas holidays fall provided they would otherwise have been scheduled to work, they shall be credited as having spent seven calendar days in the apprentice program.

[See Par. (137)(d),(175)(2),(203c)]

(d) Apprentices who satisfactorily complete their shop training schedule in a plant prior to the time they complete their related training shall, notwithstanding the provisions of Paragraph (178)(1),

be considered as journeymen/women but only in the plant in which they were in apprentice training in the classification to which they have been apprenticed and not under Paragraph (178)(2) or (178)(3). Such employees shall be required to complete their related training requirements specified in Paragraph (145). Notwithstanding the provisions of Paragraphs (151) and (181a), such employees who hereafter fail to attend available courses or decline to complete the related training requirements specified in Paragraph (145) shall have their rate adjusted to a rate not greater than the minimum rate of the journeyman/woman classification. Upon satisfactory completion of the related training requirements the rate of such employees shall be adjusted in accordance with Paragraph (181a). Local Shift Preference Agreements must have sufficient flexibility to permit such employees to complete the related training courses in which they are currently enrolled. Seniority of such employees shall be established in accordance with Paragraph (137)(a), (b) and (c).

Time spent by such employees in completing their required apprentice related training schedule shall be paid for at the straight-time hourly rate applicable to such related training for that classification in that plant in accordance with Paragraph (146) and the Apprentice Rate Schedule set forth in Paragraph (151); provided, however, the hourly rate for such apprentice related training shall not exceed the applicable rate for the eighth (8th) 916 hour Apprentice Training Period for that classification as set forth in Paragraph (151). The Corporation's payment of fees and/or tuition required in connection with apprentice related training for such employees is limited to the maximum provided in Paragraph (148).

Upon completion of their related training schedule, the employees shall be given a certificate of completion

of apprenticeship, in accordance with Paragraph (150), and shall thereupon be journeymen/women within the meaning of Paragraph (178).

[See Par. (75),(175)(2)]

(138) Apprentices removed from the non-interchangeable occupational group to which they are assigned due to a reduction in force or inability to satisfactorily perform the shop and/or related training requirements shall be retained at work, seniority permitting, as follows:

[See Par. (139)]
[See Doc. 66]

(a) Apprentices with seniority who were hired directly into an apprentice classification will be placed on other available work in accordance with Paragraph (59).

(b) Apprentices with seniority who have been transferred from a job in the plant to an apprentice classification will be returned to the group from which they were so transferred, or otherwise placed according to the Local Seniority Agreement provisions.

[See Par. (136)]

(c) Failing to have sufficient seniority to be placed on other work, as provided above, apprentices will be laid off.

[See Par. (113a)]

(139) Apprentices who have been removed from an apprentice non-interchangeable occupational group due to a reduction in force pursuant to Paragraph (138) above, will be recalled to such group in line with their seniority in such group.

Ratio of Apprentices to Journeymen/women

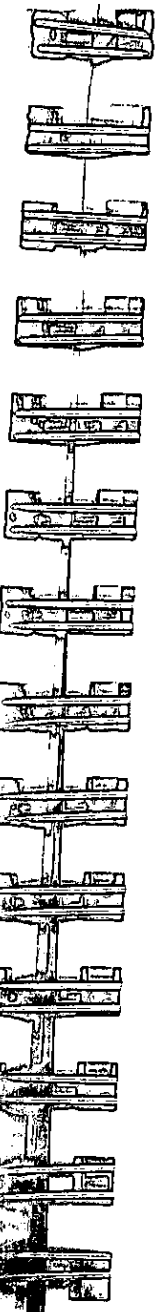
(140) The number of new apprentices who may be enrolled shall be determined on the basis of the number

of journeymen/women employed for the program averaged over the preceding twelve (12) months. The ratio of apprentices in training to journeymen/women should not exceed one (1) apprentice to eight (8) journeymen/women. However, the Union agrees that local Management can establish a ratio of apprentices to journeymen/women in excess of the one (1) to eight (8) ratio, but not to exceed a ratio of one (1) apprentice to five (5) journeymen/women. Deviations below the one (1) to five (5) ratio may be agreed to by the Local Apprentice Committee. Favorable consideration will be given to requests for deviation below the one (1) to five (5) ratio in instances in which it is anticipated the impact of early retirement will create a shortage of skilled trades employees. Disputes concerning such deviations or the enrolling of new apprentices at a time when seniority journeymen/women in the same classification are laid off due to a permanent reduction in force will be referred to the GM-UAW Skilled Trades and Apprentice Committee for decision.

[See Par. (122)d,(122)h,(127)]
[See Doc. 66]

Ratio - Reduction in Force

(140a) In the event of a reduction of force, the apprentices in excess of the one (1) to eight (8) ratio will be laid off before any journeyman/woman in that trade is laid off. The ratio of apprentices in training to journeymen/women will be based on the average number of journeymen/women employed for the program computed on the last Monday of each of the twelve preceding months. The average thus computed shall remain in force until a new computation is made on the last Monday of the next succeeding month. If, during periods when journeymen/women are laid off, any monthly computation results in a ratio in excess of one (1) apprentice to eight (8) journeymen/women, such excess apprentices will be laid off by the end of the pay



period during which the last Monday of the month falls except that a minimum of one apprentice may be retained in each trade.

[See Par. (176)(2)]
[See Doc. 65,66]

Reduction in Force (Unusual Circumstances)

(140b) In the event the reduction in force is due to unusual circumstances, including, but not confined to: a transfer or discontinuance of an operation, major technological developments, the elimination or consolidation of classifications, the discontinuance of a shift, or a drastic reduction in the level of work resulting in a heavy reduction in the skilled work force; local Management, the Shop Committee and the Union members of the Local Apprentice Committee shall mutually agree to an acceptable layoff and recall plan. Such a layoff plan may provide for reducing the ratio below one (1) to eight (8), or for laying off all apprentices in a particular trade. A plan that provides for the layoff of all apprentices in a particular trade is to be reviewed and approved in advance by the GM-UAW Skilled Trades and Apprentice Committee.

[See Par. (96),(102),(102a),(127),(176)(2)]
[See App. I]
[See Doc. 65,66]
[See Statement on Technological Progress]

Standard Work Week

(141) To maintain the proper schedule for graduating apprentices, their standard work week, including time spent in connection with related training, shall be forty (40) hours.

(a) Apprentices may be assigned to overtime work when all journeymen/women on the shift in the equalization group with which the apprentices in the course of their training are currently associated, are

either scheduled to work overtime or have had the opportunity to work overtime. Deviation from this provision may be negotiated by local Management and the Shop Committee.

[See Par. (21)]
[See App. I]

(b) Equalization of any overtime available to apprentices is subject to local arrangement between Local Management and the Union in a manner consistent with the shop and related training of each apprentice.

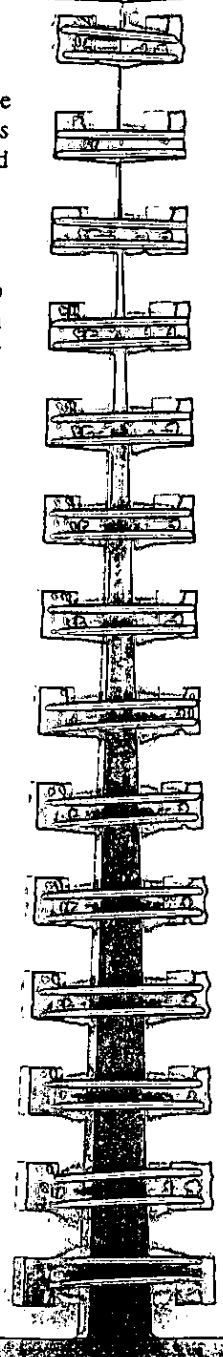
(c) Individual apprentices will not be assigned to work overtime for the purpose of completing their apprentice training ahead of other apprentices in like circumstances in the trade.

(142) In case apprentices are required to work overtime, they shall receive credit on the term of apprenticeship for only the actual hours of work.

[See Par. (133)]

Allowance - Tools, Books, Supplies

(143) As soon as practicable after being placed in an apprentice group, apprentices will be furnished an appropriate tool box, which will become the property of the apprentice upon graduation. At the same time and also upon satisfactory completion of the first period of 916 hours of work they will be paid an allowance of $200.00 for the purchase of tools, books and supplies. Upon satisfactory completion of the second, third, fourth, fifth, sixth and seventh periods of 916 hours of work in the apprentice program, apprentices will be paid $100.00 for the purchase of tools, books and supplies. Management will assist apprentices in obtaining tools. Upon completion of all shop and related training requirements and graduation, apprentices will receive the balance, if any, of the total allowance of $1,200.00



including credit granted for prior experience pursuant to Paragraph (132) less any such payments previously received.

Apprentice Training Agreement

(144) All apprentices (and if they are minors, their parent or guardian) shall be required to sign an Apprentice Training Agreement. A copy of the Apprentice Training Agreement shall be furnished to the Apprentice. The Apprentice Training Agreement shall be registered with the Bureau of Apprenticeship and Training, U.S. Department of Labor.

[See Par. (127)(h)]

Related Training

(145) Apprentices shall be required during the period of this apprentice program, to complete a program of related and supplemental classroom instructions not to exceed 576 hours during a four-year training course, less the amount of related training for which they received credit pursuant to Paragraph (132). Exceptions up to a maximum of 672 hours may be jointly recommended for specific classifications by the Local Apprentice Committee subject to approval by the GM-UAW Skilled Trades and Apprentice Committee.

[See Par. (122)f.(127)(m).(137)(d).(148)]
[See Doc. 65]
[See CSA #22]

(146) Time spent by apprentices in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent by apprentices in taking required related training shall be paid for at the apprentices' straight time hourly rate.

[See Par. (133).(137)(d)]
[See Doc. 65]

(147) Whether related training shall be conducted by local Management or through a local educational

institution, or otherwise, shall be determined by local Management in light of prevailing circumstances in the community. Management will notify and discuss this matter with the local Apprentice Committee. However, the final determination will remain the responsibility of Management.

(148) The Corporation agrees to pay, on behalf of apprentices covered by this Agreement, registration fees and/or tuition required in connection with related training under the apprentice program, but not to exceed 576 hours of related training.

[See Par. (137)(d),(145)]

Progress Reports

(149) An accurate record shall be kept of the hours worked by each apprentice under the training program. These hours shall be recorded on appropriate forms. Where the basic work processes are subdivided on the uniform shop training schedules, a more detailed breakdown of hours conforming to such subdivisions, which do not change the uniform shop training schedules, may be developed locally.

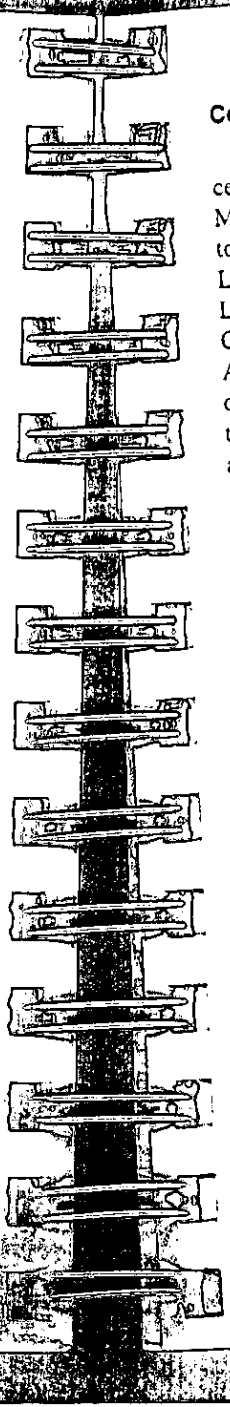
[See Par. (123),(145)]
[See CSA #22]

(149a) Optional hours are provided in each shop training schedule to be used as follows:

[See Par. (145)]
[See CSA #22]

(1) To give additional training over and above the hours designated in the shop training schedule in those phases which would be most beneficial to apprentices in acquiring their journeyman/woman status.

(2) To give training in related phases of the trade not specifically designated in the shop training schedule but normally required of journeymen/women of



Certificate of Completion

(150) Upon completion of apprenticeship, a certificate, a copy of which is contained in the General Motors-UAW Standard Apprentice Plan, shall be issued to the apprentice. The certificate shall be signed by Local Management and the Union Members of the Local Apprentice Committee. The Local Apprentice Committee will recommend to the Bureau of Apprenticeship and Training, U.S. Department of Labor, or to the state agency in those states where appropriate, that a certificate signifying completion of the apprenticeship be issued to the Apprentice.

[See Par. (127)(k),(137)(d)]

Apprentice Wage Rates

(151) Effective with the effective date of this agreement, the straight time hourly wage rates (exclusive of Cost-of-Living Allowance and shift premium) for apprentices in the bargaining unit shall be the rates set forth in the following Apprentice Rate Schedule:

Apprentice Training Period	Hourly Rate*
1st 916 Hours	$25.03
2nd 916 Hours	25.19
3rd 916 Hours	25.19 plus 9% of "Rate Difference"
4th 916 Hours	25.19 plus 20% of "Rate Difference"
5th 916 Hours	25.19 plus 33% of "Rate Difference"
6th 916 Hours	25.19 plus 48% of "Rate Difference"
7th 916 Hours	25.19 plus 66% of "Rate Difference"
8th 916 Hours	25.19 plus 86% of "Rate Difference"

*The "Rate Difference" shall be determined by subtracting the sum of $.20 and the Hourly Rate for the 2nd 916 Hours from the maximum rate established in the Local Wage Agreement for the journeyman/woman classification for which the apprentice is in training. Resultant rates shall be rounded to the nearest 1 cent.

Notwithstanding the foregoing provisions, seniority employees transferred to apprentice training, including seniority GM employees transferred from other GM-UAW locations, shall be transferred at their current rate or the rate of $26.84 per hour, whichever is lower, provided, however, that in no event will their 1st Period Rate be lower than a rate of ten cents (10¢) over the 1st Period Hourly Rate set forth above. Upon their completion of that 1st Period, they shall be paid a rate of $25.58 or their first period rate, whichever is higher, and if retained, shall be paid such rate until they qualify for a higher rate in accordance with the Apprentice Rate Schedule.

The $26.84 and $25.58 rates shown in the above paragraph will become $27.38 and $26.09 on September 19, 2005; $28.20 and $26.87 on September 18, 2006.

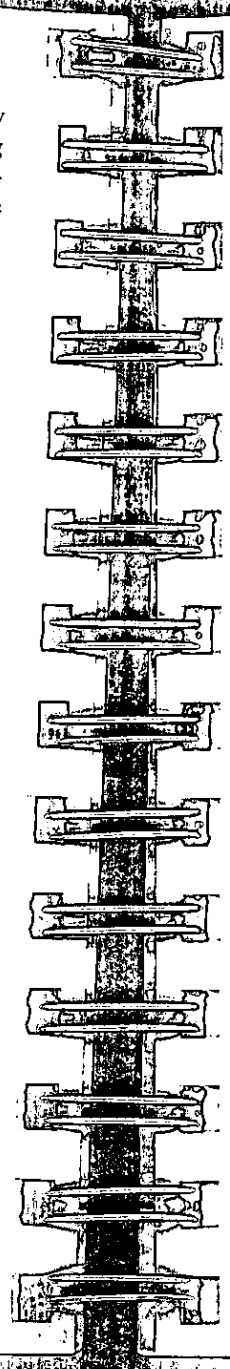
Upon graduation, apprentices will receive an increase, if retained, to the midpoint of the rate range for the skilled classification to which they are assigned.

The above Apprentice Rate Schedule automatically provides for all increases in straight time hourly wage rates which are effective on the effective date of this Agreement. The wage increases provided for in Paragraphs (101)(a)(1) and (101)(a)(2) shall be added to the fixed portion of the Hourly Rate in the Apprentice Rate Schedule and to the above stated $26.84 and $25.58 rates and the straight time hourly wage rates for individual apprentices shall be determined only in accordance with the provisions of this Paragraph (151).

[See Par. (99),(132),(137)(d),(181a)]

Skilled Trades Vacancies

(152) Management will study its future tool, die, maintenance, machine repair, wood and metal pattern shop needs, and at least once each six months will post on the bulletin board a list of jobs, if any, for which a



shortage of journeymen/women is anticipated. Where qualified journeymen/women are not available either through new hires, from journeymen/women currently working on other than skilled trades classifications who have submitted appropriate documents to Management pursuant to Paragraph (178), or from graduated apprentices, employees working on other than skilled trades classifications will be permitted to file application for vacancies in skilled trades classifications listing their qualifications for such jobs. However, subject to rules and conditions established by written local agreement employees working in skilled trades classifications may be permitted to file application for vacancies in other skilled trades classifications listing their qualifications for such jobs.

[See Par. (153)]
[See Doc. 63]

(153) Notwithstanding other provisions of this Agreement, Management may select non-journeymen/women seniority employees who have previously filed an application as provided above for transfer to the skilled trades classifications for training and to perform the work in such classifications. Employees transferred to skilled trades classifications shall be selected on the basis of their qualifications, [including time worked after January 1, 1968, pursuant to Paragraph (179) unless otherwise mutually agreed between Management and the Shop Committee], and when their qualifications are equal, employees with the longest seniority will be given preference. The recruitment, selection, employment, and training of employees-in-training (E.I.T.) shall be without discrimination because of race, color, religion, national origin, sex, or sexual orientation. Affirmative action will be taken to provide equal opportunity in the Employee-in-Training Program.

[See Par. (6a),(152),(154)]
[See App. H:K]

(154) Where no applications of seniority employees with qualifications have been filed for transfer, non-seniority employee applicants may be transferred or new non-journeymen/women applicants with qualifications may be hired for the work.

[See Par. (153)]

Classification of "Employees-in-Training" and "Employees-in-Training Seniority"

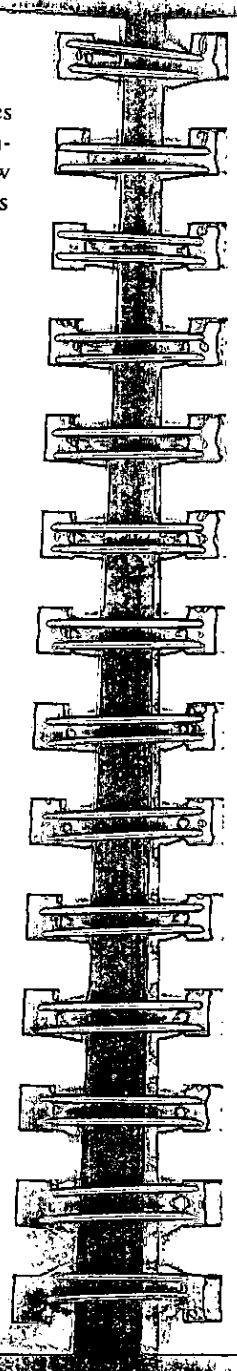
[See App. I]

(155) Employees transferred to a skilled trades classification in which they do not hold journeyman/woman or E.I.T.S. status, or non-journeyman/woman new-hires assigned to a skilled trades classification in which they do not qualify for E.I.T.S. status, shall be identified in the skilled trades classification in which they are working as employees-in-training (e.g., "Lathe Operator [E.I.T.]", "Tool Maker [E.I.T.]") until their status is changed to employee-in-training seniority (E.I.T.S.) or they are reclassified as journeymen/women in such classification in accordance with provisions of Paragraph (166).

[See Par. (156)]
[See App. B,C]

(156) An employee or a non-journeyman/woman new hire who completes or has completed at least four years of work as an employee-in-training (E.I.T.) in any one skilled trades classification in any General Motors plant shall be identified in such skilled trades classification as an "Employee-in-Training Seniority" (e.g., "Lathe Operator [E.I.T.S.]", "Tool Maker [E.I.T.S.]"), as of July 1, 1977, if the employee is working in that skilled trades classification, or upon transfer or recall to that skilled trades classification if later than July 1, 1977, until classified as a journeyman/woman in such classification in accordance with Paragraph (166), except as provided in Appendix C.

[See Par. (155),(157)(a)(1),(167),(168)]
[See Par. (175)(3),(180)(c)]



(157) (a) When employees-in-training (E.I.T.) are identified as employees-in-training-seniority (E.I.T.S.), they shall for the purpose of layoff and recall be credited with seniority as follows:

[See Par. (158)]

(1) Employees who, pursuant to Paragraph (156), are identified as employees-in-training-seniority (E.I.T.S.) in a skilled classification in the plant subsequent to July 1, 1968, and were employees-in-training (E.I.T.) in such skilled classification in the plant prior to such date shall receive seniority credit as employees-in-training-seniority (E.I.T.S.) for the time worked in the plant prior to July 1, 1968, equal to one (1) pay period for each four (4) pay periods worked and for the time worked in the classification in the plant after July 1, 1968, shall receive seniority credit as employees-in-training-seniority (E.I.T.S.) equal to one (1) pay period for each two (2) pay periods worked in the classification in the plant and for time worked in the classification in the plant after January 1, 1988 shall receive credit as employees-in-training-seniority (E.I.T.S.) equal to the time worked in the classification in the plant except as provided in Appendix C.

[See Par. (156)]

(2) Effective July 1, 1977, employees who are classified as employees-in-training (E.I.T.) for the first time subsequent to July 1, 1968, shall, upon becoming employees-in-training-seniority (E.I.T.S.) in accordance with Paragraph (156), receive seniority credit for 50% of the time [subsequent to their seniority date established pursuant to Paragraph (57)] during which they worked in that skilled trades classification in that plant either on a continuous or accumulated basis, and for all time during which they worked in that classification in that plant subsequent to January 1, 1988, except as provided in Appendix C.

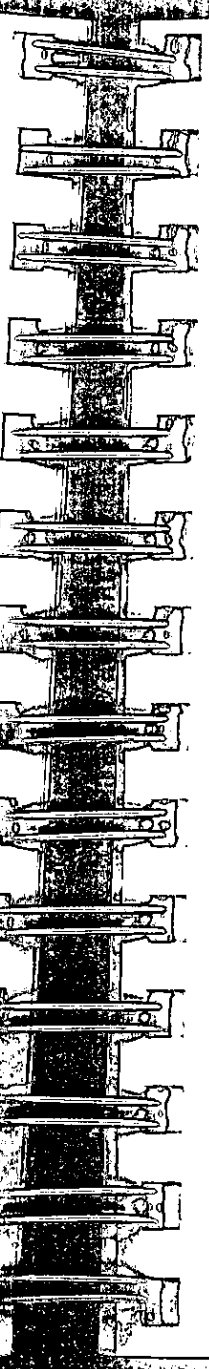
(157) (b) For the purpose of layoff and rehire in the skilled trades classifications, employees-in-training-seniority (E.I.T.S.) transferred or hired directly to employee-in-training-seniority (E.I.T.S.) status, shall, subsequent to acquiring plant seniority pursuant to the provisions of Paragraph (57), establish seniority in the skilled trades classification to which they are assigned. The date such employees are transferred or hired into the skilled trades classification shall be their skilled seniority date in that classification except that such date will not precede their seniority date established pursuant to Paragraph (57).

(158) Employees covered by Paragraph (158) of the September 20, 1961 National Agreement who were not returned to the classification under the terms of that Agreement as of the date it terminated shall continue to have seniority credited to them in accordance with Paragraph (157) in the skilled trades classification in which they hold employee-in-training-seniority (E.I.T.S.) status. However, such employees shall exercise their seniority in the skilled trades classification in which they hold employee-in-training-seniority (E.I.T.S.) status only upon being returned to work in that classification, provided, however, that notwithstanding any other provisions of this Agreement, they shall have preference to return to that classification over (1) new hires and (2) any other employees with lesser seniority in the classification who would otherwise be entitled to be returned to the classification.

Seniority of "Employees-in-Training" and "Employees-in-Training-Seniority"

[See App. I]

(159) Employees-in-training (E.I.T.) and employees-in-training-seniority (E.I.T.S.) shall retain and accumulate seniority in the seniority group in which it is established at the time of their transfer to the employee-in-training status.



(159a) Employees transferred directly to employee-in-training-seniority (E.I.T.S) status, shall retain and accumulate seniority in the seniority group in which it is established at the time of their transfer to employee-in-training-seniority status.

(160) For the purpose of layoff and rehire in the skilled trades classifications, employees-in-training (E.I.T.) shall establish a date of entry in the skilled trades classification to which they are assigned as of the date they are transferred or hired into such classification. They shall retain such date of entry in such classification until their status is changed to employee-in-training-seniority (E.I.T.S) or they are reclassified as journeymen/women in that classification; provided, however, Local Management and the Shop Committee may work out a local agreement, subject to the approval of the Corporation and the International Union, dealing with the matter of multiple dates of entry of an employee.

[See Par. (165),(173),(175)(4),(180)(c)]
[See App. B,C]

(161) Employees-in-training (E.I.T.) shall be laid off from the skilled trades classification in which they are working in the reverse order of their date of entry status in such classification, provided, however, that if they have sufficient seniority or date of entry status, they shall thereafter be transferred in the following order:

[See Par. (175)(4)]
[See Doc. 66]

(1) To another skilled trades classification in which they have journeyman/woman status;

(2) To another skilled trades classification in which they have employee-in-training-seniority (E.I.T.S.) status;

(3) To another skilled trades classification in which they have date of entry status;

(4) To a seniority group, other than in skilled trades, in which their seniority is established.

(162) Employees-in-training-seniority (E.I.T.S.) shall be laid off from the skilled trades classification in which they are working in reverse order of their seniority in such classification, provided, however, that if they have sufficient seniority or date of entry status, they shall thereafter be transferred in the following order:

(1) To another skilled trades classification in which they have journeyman/woman status;

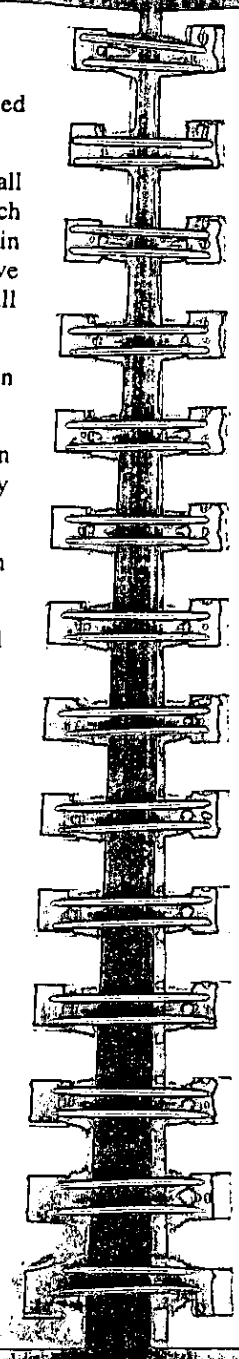
(2) To another skilled trades classification in which they have employee-in-training-seniority (E.I.T.S.) status;

(3) To another skilled trades classification in which they have date of entry status;

(4) To a seniority group, other than in skilled trades, in which their seniority is established.

Wage Rates of "Employees-in-Training"

(163) Where the minimum rate of the skilled trades classification to which an employee-in-training (E.I.T.) is transferred is not more than 10¢ above the rate an employee is earning, the employee will be advanced to such minimum rate upon transfer. Where there is more than a 10¢ differential, the employee will be advanced 10¢ over the rate the employee has been earning, or to a rate of $25.58 per hour until September 19, 2005, $26.09 per hour until September 18, 2006, and $26.87 per hour thereafter, whichever rate is higher at the time, and shall be stepped up not less than 10¢ each 60 days, if retained, until the employee reaches the minimum rate of the classification. Any odd cents less than 10¢ will be added to the last 10¢ increase in order to bring the employee up to the minimum rate of the classification. In no event will the rate paid an employee-in-training



(E.I.T.) at time of transfer exceed the minimum rate of the skilled trades classification to which an employee is transferred, except as provided in Paragraph (165). Any increase above the minimum rate shall be on the basis of merit, but in no event will such an employee receive a rate above the midpoint of the rate range for the employee's job classification.

[See Par. (164),(165),(180)(c)]

(164) An employee hired as an employee-in-training (E.I.T.) shall receive a rate of not less than $25.58 per hour until September 19, 2005, $26.09 per hour until September 18, 2006, and $26.87 per hour thereafter, and if retained, the employee's rate shall be increased not less than 10¢ per hour each 60 days until the employee reaches the minimum rate of the skilled trades classification to which the employee is assigned. Any increase above the minimum shall be on the basis of merit, but in no event will such an employee receive a rate above the midpoint of the rate range for the employee's job classification.

[See Par. (163),(180)(c)]

(165) Employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.), who may be returned to a skilled trades classification assignment in keeping with these provisions, shall be given the same rate position they had attained at the time they were last classified in such classification except as otherwise provided in Paragraph (181a). Employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.) who may be transferred to E.I.T. status in a skilled trades classification which is related to the skilled trades classification in which they held the status of E.I.T. or E.I.T.S., shall be given the same rate (adjusted for any intervening general wage increases) they had attained at the time they were classified in the former classification, but not greater than the maximum rate of the new classification.

[See Par. (160),(163),(180)(c),(181a)]
[See App. C]

Reclassification to Journeyman/woman Status

[See App. I]

(166) Effective July 1, 1977, employees who are or were classified as employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.) for the first time subsequent to September 1, 1958, shall be classified as journeymen/women when they have worked eight (8) years in that skilled trades classification in any plant, except as provided in Appendix C, and except that such employees who were not working in that skilled classification on July 1, 1977, due to layoff or reduction in force will be reclassified to journeyman/woman status upon recall to the skilled classification.

[See Par. (155),(156),(167),(170),(171)]

(167) In determining whether employees have worked in a skilled trades classification the time required in order to qualify for journeyman/woman status in that classification pursuant to Paragraph (166), they may receive credit for the work they performed while classified in another skilled trades classification which is related to the one in which they are being reclassified as journeymen/women, in accordance with Paragraph (168) and (169).

[See Par. (156),(178a)]

(168) After the completion of the period of time specified in Paragraph (156) for reclassification to E.I.T.S. status, employees may be credited with the hours worked in the related classification in any plant but not in excess of two times the number of hours outlined in a General Motors-UAW apprentice training program for such classification of work.

[See Par. (167),(169)]

(169) In computing credit for work performed under Paragraph (168), employees shall be credited with one week for each 40 hours of work performed.

[See Par. (167)]

Seniority Credit Upon Reclassification of "Employees-in-Training" and "Employees-in-Training-Seniority" to Journeymen/women

[See App. I]

(170) Employees reclassified from an employee-in-training (E.I.T.) status to a journeyman/woman status in accordance with the provisions of Paragraph (166), upon reclassification to a journeyman/woman status, shall have their seniority date established in the skilled trades classification to which they are assigned by crediting them with the sum of:

(a) 50% of the time [subsequent to their seniority date established pursuant to Paragraph (57)] during which they worked in that plant in that skilled trades classification either on a continuous or accumulated basis, except as provided in Appendix C, prior to July 1, 1977; and

(b) 100% of the time [subsequent to their seniority date established pursuant to Paragraph (57)] during which they worked in that plant in that skilled trades classification either on a continuous or accumulated basis, except as provided in Appendix C, on or after July 1, 1977.

(171) Upon reclassification to journeyman status, employees-in-training-seniority (E.I.T.S.) shall have as their journeyman/woman seniority date in the classification the greater of the following:

[See Par. (166)]

(1) The employee-in-training-seniority (E.I.T.S.) seniority date they have in that classification in that plant as of the date of their reclassification, or

(2) A seniority date established in the skilled trades classification to which they are assigned by crediting them the sum of:

(a) 50% of the time [subsequent to their seniority date established pursuant to Paragraph (57)] during which they worked in that plant in that skilled trades classification as employees-in-training (E.I.T.) either on a continuous or accumulated basis, except as provided in Appendix C, prior to July 1, 1977; and

(b) 100% of the time [subsequent to their seniority date established pursuant to Paragraph (57)] during which they worked in that plant in that skilled trades classification either on a continuous or accumulated basis, except as provided in Appendix C, on or after July 1, 1977; and

(c) 100% of the time, subsequent to acquiring E.I.T.S. status, spent out of that Skilled Trades classification on or after January 1, 1985 due to a reduction in force.

(172) Employees reclassified from employee-in-training (E.I.T.) or employee-in-training-seniority (E.I.T.S.) to journeyman/woman status shall have the seniority rights, if any, provided in the local seniority agreement in seniority groups other than in skilled trades.

Seniority Rights of Journeymen/women, "Employees-in-Training-Seniority" and "Employees-in-Training"

[See App. I]

(173) Journeymen/women or employees-in-training-seniority (E.I.T.S.) in a skilled trades classification shall retain their date of entry, subject to the provisions of Paragraph (160) above, in other skilled trades classifications to which they had been or are thereafter assigned as employees-in-training (E.I.T.).

(174) No journeyman/woman so classified will be laid off until it is necessary to further reduce the force

after employees who have not attained the status of a journeyman/woman in such classifications, for which the journeyman/woman is qualified, have been laid off, except as provided in Paragraph (176).

[See Par. (121),(140),(140a),(140b),(177), (178-178a)]
[See Doc. 66]

(175) Employees-in-training (E.I.T.) who have not qualified as journeymen/women may be retained in their classification until displaced by:

[See Par. (177),(178-178a)]
[See Doc. 66]

(1) Fully qualified journeymen/women in the plant;

[See Par. (177),(178-178a)]

(2) Newly graduated apprentices;

[See Par. (137)]

(3) Employees-in-training-seniority (E.I.T.S.);

[See Par. (156)]

(4) A reduction in force.

[See Par. (160),(161)]

(176) Employees-in-training-seniority (E.I.T.S.) may be retained in the skilled classification in which they are classified as employees-in-training-seniority (E.I.T.S.) until displaced by:

[See Par.(174)]

(1) Employees with more seniority in the classification;

(2) A reduction in force.

[See Par. (140a-b)]

(177) Notwithstanding the provisions of Paragraphs (174), (175), and (176), provisions may be negotiated between local Management and the Shop Committee to govern temporary layoff situations.

[See Par. (65)]
[See Doc. 66]

Definition of "Journeyman/woman"

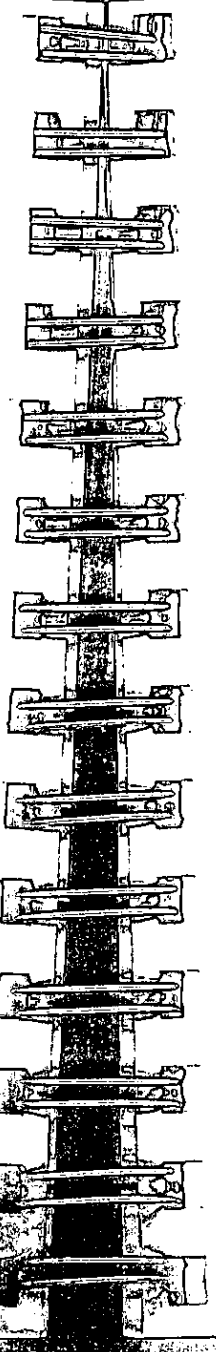
[See App. I]

(178) The term "journeyman/woman" when used in this Agreement means an employee who: (1) has satisfactorily completed a bonafide apprentice training course with similar standards to the GM-UAW Apprentice Training Program; or (2) one who has properly carried such journeyman/woman status in any General Motors plant under the terms of previous agreements between the parties; or (3) one who has been reclassified as a journeyman/woman under the terms of the Skilled Trades Section of this Agreement; or (4) one, newly hired, who meets one of the above alternative requirements or can prove work experience in the trade at least equivalent to that on-the-job experience required for reclassification to journeyman/woman status of those employees-in-training covered in Paragraph (166) of this Agreement. Copies of any documents presented pursuant to this provision will be furnished to the Chairperson of the Shop Committee upon request.

[See Par. (122)d.(137)(d).(152).(174)]
[See Par. (175)(1)]
[See Doc. 68]

(178a) Journeymen/women in an apprenticeable classification will be considered to be journeymen/women classified in the classification(s) for which they are qualified and which is (are) related to that apprenticeable classification, in the application of Paragraph (174).

For the purpose of this Paragraph, the machine operations listed in the apprentice training schedules for the Die Making, Machine Repair, Pattern Making-Metal, Pattern Making-Wood, Tool and Die Making and Tool Making trades, are considered related to their respective classification. In addition for this purpose, the local parties may determine, in writing, other classifications which are to be considered related to



these and other apprenticeable classifications, subject to approval of the GM-UAW Skilled Trades and Apprentice Committee. In the event the parties are unable to reach agreement locally, the area of difference may be referred to the GM-UAW Skilled Trades and Apprentice Committee for resolution on the basis of the specific facts involved. The GM-UAW Skilled Trades and Apprentice Committee may also determine classifications which are to be considered related to apprenticeable classifications.

[See Par. (122)d.(167).(175)(1)]
[See Doc. 68]

Model Change or Major Plant Rearrangement

(179) During model change or major plant rearrangement employees may be temporarily transferred to classifications to assist in such work and paid in accordance with the local wage agreement. The duration of such temporary transfers is limited to the temporary period of such model changes or major plant rearrangements. Seniority of such employees shall remain and accumulate in the seniority group in which it is established at the time of the temporary transfer. It is understood, therefore, that no employee will be credited with any seniority in such classifications for the purpose of being retained in the classification.

[See Par. (153)]
[See App. I]

Related Training - E.I.T.

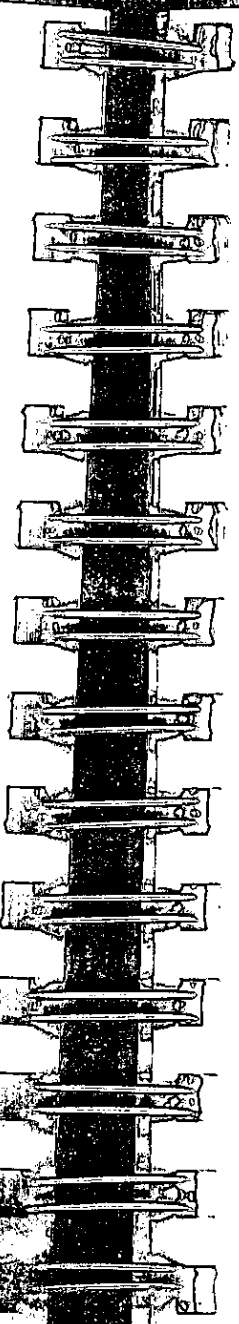
(180) (a) Related training schedules totaling approximately 500 hours will be provided for each classification in which there are currently employees classified as employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.). Exceptions up to a maximum of 576 hours for employee-in-training programs may be jointly recommended by the Chairperson of the Shop Committee and local plant management subject to approval by the GM-UAW

Skilled Trades and Apprentice Committee. Local Shift Preference Agreements must have sufficient flexibility to permit such employees to complete the related training courses in which they are currently enrolled.

[See Par. (75),(180)(b)]

(b) Employees having a date of entry in a skilled classification pursuant to Paragraph (160) prior to January 1, 1968, and who are currently working in such skilled trades classifications as employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.) may apply for enrollment in the related training courses established for their classification pursuant to Paragraph (180)(a) above.

(c) Employees who establish a date of entry in a skilled trades classification pursuant to Paragraph (160) on or after January 1, 1968, shall be required to attend the related training courses established for that classification during the period of time they work as an employee-in-training (E.I.T.). Such employees shall not be required to attend related training courses which they have completed previously. Removal of employees from employee-in-training (E.I.T.) status shall be based on the employees' failure or inability to perform the work of the classification in the plant except that for employees entering the classification after January 1, 1988, failure to attend related training classes or achieve passing grades, will be cause for removal from the classification after having been counselled. Notwithstanding the provisions of Paragraphs (163), (164), (165) and (181a), such employees who hereafter achieve E.I.T.S. status pursuant to the provisions of Paragraph (156) prior to the completion of the required related training courses and thereafter fail to attend available courses or decline to complete such courses shall have their rate adjusted to a rate not greater than the minimum rate of the journeyman/woman classification. Upon satisfactory completion of the



related training requirements and provided they are otherwise qualified, the rate of such employees shall be adjusted in accordance with Paragraph (181a).

(d) Time spent by employees-in-training (E.I.T.) and employees-in-training-seniority (E.I.T.S.) in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent by employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.) in taking required related training, but not to exceed the hours specified in Paragraph 180(a), shall be paid for at the employees' (E.I.T. or E.I.T.S.) straight-time hourly rate.

[See Par. (145)]
[See Doc. 65]

(e) The Corporation agrees to pay, on behalf of employees-in-training (E.I.T.) and employees-in-training-seniority (E.I.T.S.) covered by this Agreement, registration fees and/or tuition required in connection with related training under the employee-in-training (E.I.T.) program, but not to exceed the hours specified in Paragraph 180(a).

Maintenance Helpers

(181) The Maintenance Helper classification shall be eliminated.

General

(181a) Upon becoming classified as journeymen/women or employees-in-training-seniority (E.I.T.S.), employees shall receive a rate not less than the midpoint of the rate range for their job classification except that such employees shall receive the maximum rate of their classification within three (3) months from the date on which they are so classified or acquire seniority, or in the case of newly hired journeymen/women or newly hired employees-in-training-seniority (E.I.T.S.), within three (3) months

from the date on which they acquire seniority and except that employees classified as journeymen/women in one skilled trades classification and earning the maximum rate for that classification who are transferred to journeyman/woman status in a related skilled trades classification at that plant shall be paid the maximum rate for the related classification immediately upon transfer.

[See Par. (99a),(137)(d),(151),(165)]
[See Par. (180)(c)]
[See App. I]

(181b) Local agreements subject to Corporation and International Union approval may be negotiated locally to meet other local conditions in accordance with the principles set forth in this section.

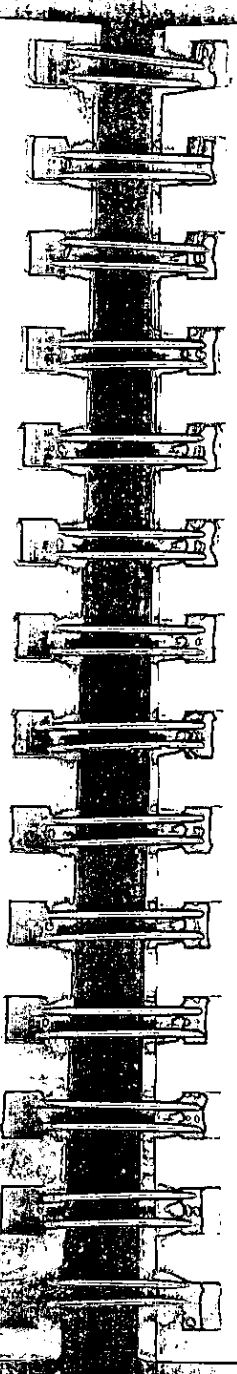
Lines of Demarcation

[See App. I]

(182) (a) The Chairperson of the Shop Committee may request the Labor Relations Supervisor to arrange a special conference to hear the skilled trades representative's views concerning problems in connection with work assignments of employees in skilled trades classifications and to discuss the matter. Such special conference will be attended by two committeepersons representing employees in skilled trades classifications, the Chairperson of the Shop Committee, a representative of the section of the Management organization in charge of the skilled trades activity involved, a representative of labor relations and another representative of the Management organization. The Regional Director of the International Union or a designated representative, upon request to the Corporation Labor Relations Staff, may attend the conference.

[See Doc. 112]

(b) If the matter involves the appropriateness of the work assignment of employees in skilled trades



classifications and is resolved, the settlement will be reduced to writing within seven (7) calendar days from the date of the settlement unless otherwise agreed to by the parties. If the matter is not resolved, the Local Union may reduce the matter to writing in a statement setting forth all the facts and circumstances surrounding the case and the position taken by the union. The statement will be presented to Local Management, within ten (10) working days of the special conference. Within five working days thereafter, local management will prepare and give to the union a complete statement of the facts of the case and the reasons for the position taken. The Union may within 30 days of such delivery forward the Union's statement and the Management's statement to the Director of the GM Department of the International Union.

(c) If in its judgment the matter warrants appeal, the International Union may within 30 days of receipt of the statements, appeal the matter to the GM-UAW Skilled Trades and Apprentice Committee by written notice to the Director of Labor Relations of the Corporation.

(d) The GM-UAW Skilled Trades and Apprentice Committee shall attempt to resolve the matter. If they are unable to resolve the case within three months of the date of appeal to it or any mutual extension of said period, the case may be withdrawn without prejudice by the union members or may be appealed to the Impartial Umpire for final and binding decision. Upon the submission of a case to the Umpire, the parties will make an effort to provide the Umpire with a jointly agreed upon set of specific criteria to guide the Umpire's decision in each case.

(183) (a) Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or

manufacturing work, or fabrication of tools, dies, jigs and fixtures, normally and historically performed by them, when performance of such work involves the use of Corporation-owned machines, tools, or equipment maintained by Corporation employees.

[See Par. (46)(1)]
[See App. F]
[See Doc. 113]

(b) The foregoing shall not affect the right of the Corporation to continue arrangements currently in effect; nor shall it limit the fulfillment of normal warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

[See Par. (46)(1),(183)(d)]
[See Doc. 58,100,113]

(c) It is the policy of the Corporation to fully utilize its seniority employees in maintenance skilled trades classifications in the performance of maintenance and construction work, as set forth in its letter, dated December 14, 1967 (Appendix F), to the Union on this subject.

[See Par. (46)(1)]
[See App. F]
[See Doc. 58]

(d) In all cases, except where time and circumstances prevent it, Local Management will hold advance discussion with and provide advance written notice to the Chairperson of the Shop Committee and the Shop Committeeperson or Shop Committeepersons whose zones include the maintenance activities, prior to letting a contract for the performance of maintenance and construction work. In this discussion Local Management is expected to review its plans or prospects for letting a particular contract. The written notice will describe the nature, scope and approximate dates of the work to be performed and the reasons (equipment, available human resources, etc.) why Management is

contemplating contracting out the work. Further, this written notice will include the type and duration of warranty work.

At such times Local Management representatives are expected to afford the Local Union representatives an opportunity to comment on the Management's plans and to give appropriate weight to those comments in the light of all attendant circumstances. When Journeymen/women or E.I.T.S. diemaking, toolmaking or engineering employees are on layoff or become laid off as a result of the plant's subcontracting work normally performed by them, Local Management will, except where time and circumstances prevent it, hold such advance discussions of contracts for the performance of major die construction work or major tooling construction programs of the type normally performed by such employees.

[See Par. (183)(b)]
[See Doc. 58,59,98]

(e) In no event shall any seniority employee who customarily performs the work in question be laid off as a direct and immediate result of work being performed by any outside contractor on the plant premises.

[See Par. (46)(1)]

VACATION ENTITLEMENT

(184) The vacation entitlement provisions of this Section shall apply during the remainder of the term of this Agreement.

(185) Effective January 1, 1994 the eligibility date for vacation entitlement for all seniority employees is December 31.

(186) Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 falls.

(187) Employees shall become eligible for vacation entitlement as hereinafter defined, provided they have at least one year's seniority as of December 31 of the eligibility year and have worked during at least 13 pay periods during the eligibility year.

Without modifying or adding to any other provision of the Vacation Entitlement Section, an employee who has seniority but has not acquired one year's seniority as of December 31 shall nevertheless become eligible for a percentage of 40 hours of vacation entitlement pursuant to Paragraphs (192) and (193b).

(188) In determining the number of pay periods an employee shall have worked in the eligibility year, the employee shall be credited with one pay period for each pay period in which the employee performs work in any General Motors plant during that year.

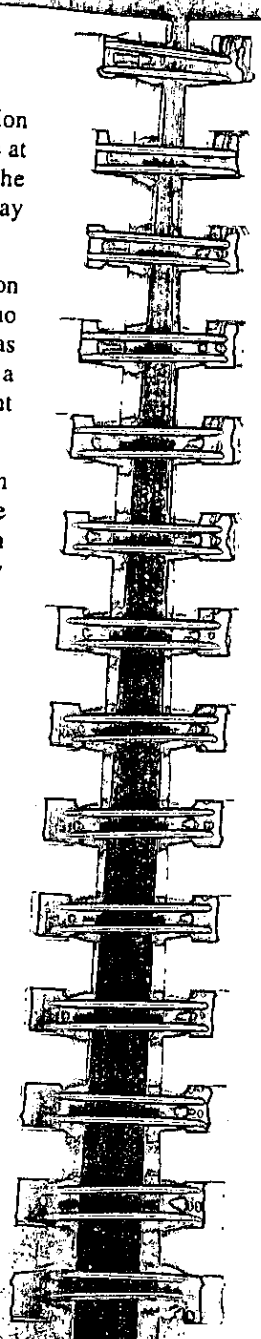
(189) For the purpose of this Vacation Entitlement Section only, a pay period during which an employee qualifies for pay pursuant to Paragraph (194), Paragraphs (203) through (213a) for holidays falling within the Christmas Holiday Period, Paragraph (218), Paragraph (218a), Paragraph (218b), or the Independence week shutdown shall be counted as a pay period worked. A laid off employee who receives pay for a designated holiday shall receive credit for the pay period in which the holiday falls as a pay period worked.

(190) Employees whose seniority at a General Motors plant (base plant) is hereafter broken:

(a) pursuant to Paragraph (64)(d) because they elected to remain at the General Motors plant in which they are working, or

(b) pursuant to Paragraph (64)(e), or

(c) pursuant to Paragraph (113a) because of placement as a journeyman/woman, shall have their



vacation entitlement computed as though their seniority at the base plant had not been broken, provided, (1) they continuously hold seniority at a General Motors plant(s), or (2) are hired at a General Motors plant before their seniority at a prior plant is broken and they acquire seniority at the plant where hired within the next six (6) continuous months, and they thereafter continuously hold seniority at a General Motors plant(s).

(191) An eligible employee who has worked at least 26 pay periods in the eligibility year shall be entitled to the following vacation entitlement:

For an Eligible Employee With Seniority of	Hours of Vacation Entitlement
Less than one year	40
One but less than three years	80
Three but less than five years	100
Five but less than 10 years	120
Ten but less than fifteen years	140
Fifteen but less than twenty years	160
Twenty or more years	200

(192) An eligible employee shall be entitled to a percentage of vacation entitlement shown in Paragraph (191) based on the number of pay periods the employee works in the eligibility year, in accordance with the following:

Pay Periods Worked	Percentage of Hours of Vacation Entitlement
26	100%
25	96
24	92
23	88
22	84
21	80
20	76
19	73

18	69
17	65
16	61
15	57
14	53
13	50

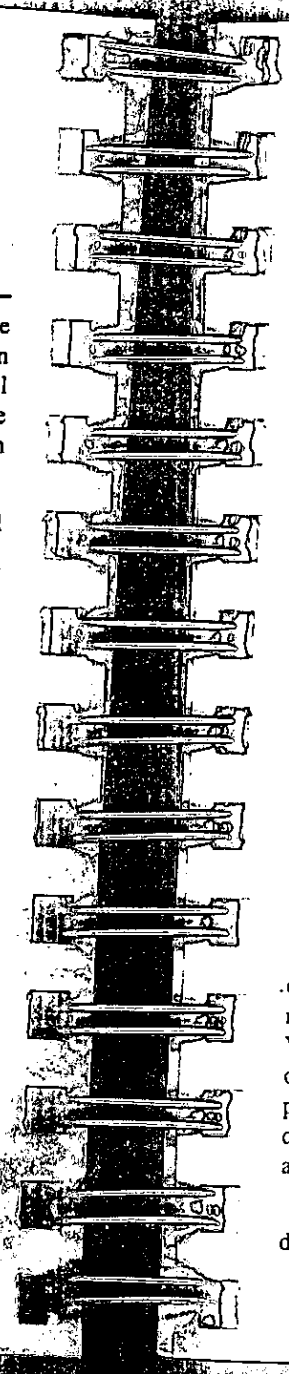
(193) An eligible employee who, at the time of the eligibility date, has not used the entire vacation entitlement provided for in Paragraph (191) shall receive a payment in lieu of vacation time off for the unused portion at the rate established in accordance with Paragraph (193a).

(193a) Vacation time off payments will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the approved vacation time off period for vacation with pay. Payment of the unused portion, if any, of Vacation Entitlement will be calculated on the basis of the employee's rate of pay plus the attached night shift premium but not including overtime premium, as of the last day worked prior to the eligibility date or the last day worked prior to December 15, whichever produces the higher rate.

(193b) Payment of the unused portion, if any, of the employee's vacation entitlement, shall be made as soon as possible but not later than February 1 of the following year.

(194) Eligible employees may use 40 hours of their vacation entitlement during the eligibility year provided their absence from work is for not less than four (4) continuous hours and is excused for illness (when not receiving Sickness and Accident benefits), or personal business, or a leave of absence for vacation purposes.

(195) Employees who retire or are retired under the provisions of the General Motors Hourly Rate



Employees Pension Plan shall receive prorated vacation entitlement up to the vacation entitlement to which the employee's seniority would have entitled them on December 31 of the current year as follows:

- in accordance with Paragraph (192) provided the employee has worked at least 13 pay periods in the eligibility year in which they retire or
- one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (191) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they retire.

(196) Employees who are placed on or return from a Leave of Absence for Military Service pursuant to the provisions of Paragraph (112), shall receive vacation entitlement in accordance with Paragraph (192) if the employee has worked at least 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service, or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (191) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service.

(197) Employees disabled from working by compensable injury or legal occupational disease shall receive credit toward pay periods worked under this Vacation Entitlement Section for pay periods they would otherwise have been scheduled to work during the period of compensable disability, provided they worked during at least one (1) pay period in the eligibility year and are otherwise eligible for a vacation entitlement.

(198) In the case of an employee who has worked during at least 13 pay periods in the eligibility year and

who voluntarily quits or dies prior to the eligibility date, the vacation entitlement to which the employee would have been entitled based on the number of pay periods worked, shall be paid to the employee or in the event of death, the employee's duly appointed legal representative, if there is one, and, if not, to the spouse, parents, children, or other relative or dependents of such person as the Corporation in its discretion may determine.

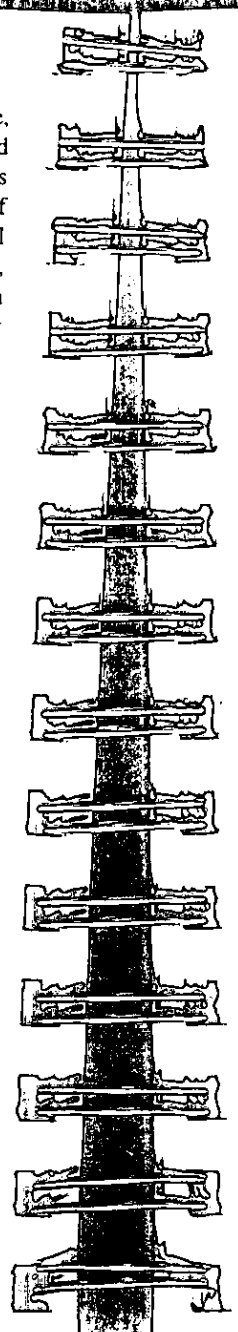
(199) The vacation entitlement of an employee who holds seniority in two or more General Motors plants will be computed on the basis of the longest seniority held as of the eligibility date.

(200) In the case of an employee who goes on sick leave during one eligibility year after having worked less than 13 pay periods in that year and who retires during the next eligibility year under the provisions of the General Motors Hourly-Rate Employees Pension Plan before returning to work, the retirement, for the purpose of this Vacation Entitlement Section only, shall be deemed to have occurred as of the day following the employee's last day worked.

(201) When a person is transferred into a bargaining unit covered by this Agreement the amount of vacation entitlement the employee may become eligible for shall be reduced by the amount of any paid vacation or pay in lieu of taking vacation which the employee has already received from the Corporation for the same eligibility year.

Vacation Time Off Procedure

(202) Management recognizes the desirability of providing vacation time off with pay, up to the vacation entitlement to which the employee's seniority will entitle them on December 31 of the current year, in a



manner that preserves the maintenance of efficient operations while giving consideration to the desires of the employee.

(202a) During each year of this Agreement, the Corporation has designated the following days to be included in an Independence Week Shutdown period:

2004

Tuesday, July 6	- Independence Week Shutdown Day
Wednesday, July 7	- Independence Week Shutdown Day
Thursday, July 8	- Independence Week Shutdown Day
Friday, July 9	- Independence Week Shutdown Day

2005

Tuesday, July 5	- Independence Week Shutdown Day
Wednesday, July 6	- Independence Week Shutdown Day
Thursday, July 7	- Independence Week Shutdown Day
Friday, July 8	- Independence Week Shutdown Day

2006

Monday, July 3	- Independence Week Shutdown Day
Wednesday, July 5	- Independence Week Shutdown Day
Thursday, July 6	- Independence Week Shutdown Day
Friday, July 7	- Independence Week Shutdown Day

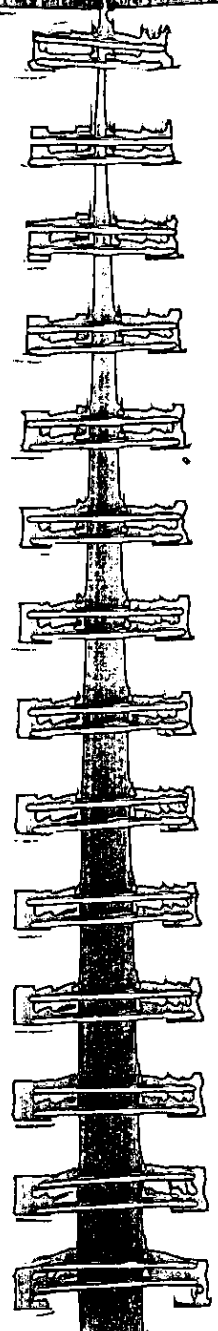
2007

Monday, July 2	-	Independence Week Shutdown Day
Tuesday, July 3	-	Independence Week Shutdown Day
Thursday, July 5	-	Independence Week Shutdown Day
Friday, July 6	-	Independence Week Shutdown Week

(202b) During February of each year, the local Management will notify the Shop Committee of its decision to schedule the week before or the week after the Independence Week Shutdown period as a Plant Vacation Shutdown Week.

(202c) In addition, during February of each year, the local Management will notify the Shop Committee which productive operations, if any, will be scheduled to operate during the Independence Week Shutdown Period and which productive operations, if any, will be scheduled to operate during the Plant Vacation Shutdown Week. Unforeseen circumstances may require subsequent changes in these announced schedules and will be reviewed with the Shop Committee as soon as is practicable.

(202d) Employees who are not scheduled to work during any portion of the Independence Week Shutdown Period shall be paid up to eight (8) hours of pay for each of the Independence Week Shutdown Period days they are not scheduled to work, up to a maximum of thirty-two (32) hours, which will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the Independence Week Shutdown period provided:



(1) The employee has seniority in any General Motors plant as of the date of each of the Independence Week Shutdown Days,

(2) The employee is on the active rolls and would otherwise have been scheduled to work if it had not been observed as an Independence Week Shutdown Day,

(3) The employee works their last scheduled work day in the pay period prior to and their next scheduled work day in the pay period after the pay periods of Independence Week Shutdown and Plant Vacation Shutdown Week.

Employees shall receive such pay in the pay period following the Independence Week Shutdown Period.

(202e) Failure to work either their last scheduled work day in the pay period prior to or their next scheduled work day in the pay period after the pay periods of the Independence Shutdown and Plant Vacation Shutdown Week will disqualify the employee for Independence Week Shutdown pay for the two (2) Independence Week Shutdown days which follow or precede such scheduled work day.

(202f) Employees who are scheduled to work during the Independence Week Shutdown Period, including the Independence Day holiday shall be entitled to up to eight (8) hours of Additional Time Off with pay up to a maximum of forty (40) hours in lieu of the Independence Week Shutdown Period pay for each day worked provided:

(1) The employee has seniority in any General Motors plant as of each day of the Independence Week Shutdown Period,

(2) The employee is scheduled to report for work during any of the days, and

(3) The employee reports for and performs such scheduled work on those scheduled days or is absent pursuant to the provisions of Paragraphs (218) or (218b).

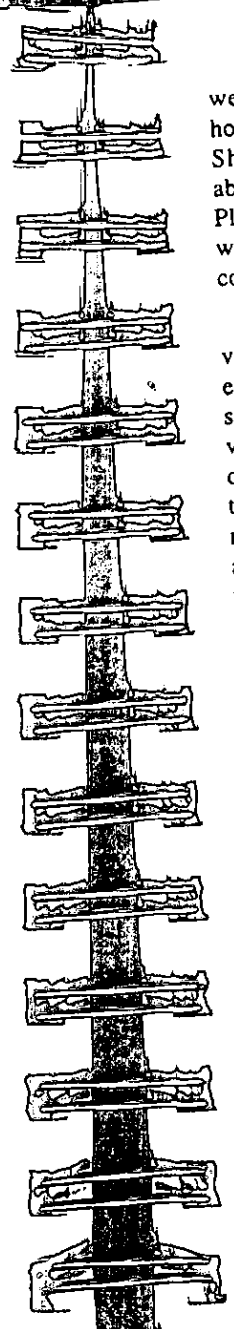
The Additional Time Off will be scheduled in accordance with local plant practice.

(202g) Eligible employees who, as of the next eligibility date, have not used their entire Additional Time Off, shall be paid the unused portion in accordance with Paragraphs (193a) and (193b).

(202h) Management at each plant will establish a procedure whereby employees, during February, may make application in writing for vacation time off, indicating first, second and third choices. If a Plant Vacation Shutdown is scheduled, the dates of such shutdown are to be included in the employee's vacation schedule. In the event more employees apply for time off than can be spared from the job at a given time, plant seniority will be the basis for resolving priority of applications for time off, except that applicants working on jobs which usually operate when the plant is shut down during such periods as model change, plant rearrangement, plant vacation shutdown or inventory will be given first consideration for time off during periods other than shutdown period.

(202i) Each employee will be given a written disposition of their vacation time off request. Approved vacation time off, exclusive of the time identified as a Plant Vacation Shutdown, will not thereafter be canceled or changed without the mutual consent of Management and the employee. If an employee's approved vacation time off scheduled for a Plant Vacation Shutdown is canceled or changed, the employee may reschedule their vacation in accordance with local plant practice.

(202j) An active seniority employee who is not scheduled to work during the Plant Vacation Shutdown



week, shall use any available Vacation Entitlement hours starting with the first day of the Plant Vacation Shutdown week and will be placed on a leave of absence for vacation purposes for the balance of the Plant Vacation Shutdown week. An active employee without seniority who is not scheduled to work shall be considered on layoff for the entire shutdown period.

(202k) An eligible employee who has approved vacation time off in accordance with Paragraph (202h), either through individual vacation scheduling or a scheduled plant vacation shutdown, shall receive their vacation pay, up to the amount of their approved time off, in the pay period following the pay period in which the approved vacation time off is taken. An employee may elect to waive this provision by submitting an application at least two (2) days prior to the approved vacation time off. Upon receipt of the application, payment of the specified Vacation Entitlement will be made pursuant to the provisions for payment of an unused balance in Paragraphs (193a) and (193b).

(202l) Regardless of the provisions of Paragraph (49), the Corporation will deduct from earnings subsequently due and payable the amount of any vacation payment made to an employee who does not have seniority as of their next eligibility date, or who receives state or federal benefits as a result of unemployment during the Vacation Entitlement Period, or who receives any payment in excess of their eligibility. Recovery of such overpayments may be made from any future payments payable under any term of this agreement or any Supplemental Agreement thereto.

(202m) (1) An employee who has at least two (2) years' seniority as of their last vacation eligibility date may apply for forty (40) hours of advance vacation pay. Such payment will be calculated in accordance with

Paragraph (202m)(2) and will be paid in the pay period immediately preceding the approved vacation period provided:

(a) The employee has an approved vacation time off application pursuant to Paragraph (202h);

(b) The employee is eligible for vacation entitlement pursuant to Paragraph (191) that is at least equal to the amount of vacation requested;

(c) The advance payment cannot be requested for consecutive vacation weeks, and can only be requested for an entire pay period;

(d) The employee makes application for the advance vacation payment, in writing, at least two (2) weeks prior to payment of the advancement; and

(e) The employee takes the vacation time off. Once the advance vacation is approved, the employee will not be permitted to cancel the vacation time off.

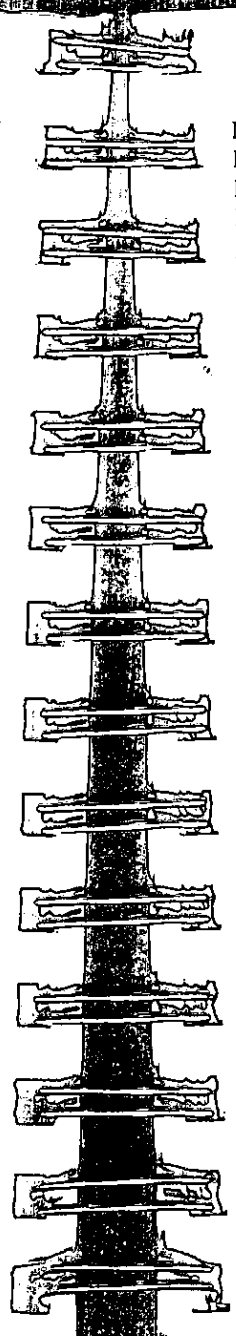
(2) Advance vacation pay paid pursuant to Paragraph (202m)(1) will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, at the time the application for advance vacation pay is processed.

(3) Recovery of this advance payment made to an employee who does not meet the requirements of Paragraph (202m)(1)(e) will be made from their next regular paycheck(s).

[see Par.(191),(192),
(193),(193a),(193b)]
[see Doc 93]

HOLIDAY PAY

(203) Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:



1st Year

November 14, 2003 Veterans' Day (Observed)
November 27, 2003 Thanksgiving
November 28, 2003 Day after Thanksgiving
December 24, 2003)
December 25, 2003)
December 26, 2003)
December 29, 2003) Christmas Holiday Period
December 30, 2003)
December 31, 2003)
January 1, 2004)
January 2, 2004)
January 19, 2004 Martin Luther King, Jr. Day
April 9, 2004 Good Friday
April 12, 2004 Day after Easter
May 28, 2004 Friday before Memorial Day
May 31, 2004 Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),
July 5, 2004 Independence Day (Observed)
September 6, 2004 Labor Day

2nd Year

November 2, 2004 Federal Election Day
November 15, 2004 Veterans' Day (Observed)
November 25, 2004 Thanksgiving
November 26, 2004 Day after Thanksgiving
December 24, 2004)
December 27, 2004)
December 28, 2004) Christmas Holiday Period
December 29, 2004)
December 30, 2004)
December 31, 2004)
January 17, 2005 Martin Luther King, Jr. Day
March 25, 2005 Good Friday
March 28, 2005 Day after Easter
May 27, 2005 Friday before Memorial Day
May 30, 2005 Memorial Day

(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),
July 4, 2005 Independence Day
September 5, 2005 Labor Day

3rd Year

November 8, 2005 Local Election Day
November 14, 2005 Veterans' Day (Observed)
November 24, 2005 Thanksgiving
November 25, 2005 Day after Thanksgiving
December 26, 2005)
December 27, 2005)
December 28, 2005) Christmas Holiday Period
December 29, 2005)
December 30, 2005)
January 2, 2006)
January 16, 2006 Martin Luther King, Jr. Day
April 14, 2006 Good Friday
April 17, 2006 Day after Easter
May 29, 2006 Memorial Day
(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),
July 4, 2006 Independence Day
September 4, 2006 Labor Day

4th Year

November 7, 2006 Federal Election Day
November 13, 2006 Veterans' Day (Observed)
November 23, 2006 Thanksgiving
November 24, 2006 Day after Thanksgiving
December 25, 2006)
December 26, 2006)
December 27, 2006) Christmas Holiday Period
December 28, 2006)
December 29, 2006)

January 1, 2007)
January 15, 2007 Martin Luther King, Jr. Day
April 6, 2007 Good Friday
April 9, 2007 Day after Easter
May 28, 2007 Memorial Day
(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),
July 4, 2007 Independence Day
September 3, 2007 Labor Day

providing they meet all of the following eligibility rules unless otherwise provided herein:

[See Par. (86),(187),(205a)]
[See Doc. 50,94]

(1) The employee has seniority as of the date of each specified holiday and as of each of the holidays in each of the Christmas holiday periods, and

(2) The employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and

(3) The employee must have worked the last scheduled work day prior to and the next scheduled work day after each specified holiday within the employee's scheduled work week. For each Christmas holiday period, the employee must have worked the last scheduled work day prior to each holiday period and the next scheduled work day after each holiday period.

Each of the designated days in the Christmas holiday period shall be a holiday for purposes of this Holiday Pay Section.

[See Doc. 80]

(203a) Failure to work either the last scheduled work day prior to or the next scheduled work day after each Christmas holiday period will disqualify the employee for pay for the one holiday in the Christmas

holiday period which follows or precedes such scheduled work day.

(203b) An employee who retires as of January 1, and who is otherwise eligible for holiday pay for those holidays falling in the Christmas holiday period up to and including December 31, will receive holiday pay for such holidays.

(203c) In order for employees to have maximum time off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December 27, 2003
Sunday, December 28, 2003
Saturday, January 3, 2004
Sunday, January 4, 2004

Saturday, December 25, 2004
Sunday, December 26, 2004
Saturday, January 1, 2005
Sunday, January 2, 2005

Saturday, December 24, 2005
Sunday, December 25, 2005
Saturday, December 31, 2005
Sunday, January 1, 2006

Saturday, December 23, 2006
Sunday, December 24, 2006
Saturday, December 30, 2006
Sunday, December 31, 2006

Employees shall not be disqualified for holiday pay if they do not accept work on such days. This does not apply to employees on necessary continuous seven-day operations.

(204) When a holiday falls on Saturday, eligible employees shall receive holiday pay provided they have worked the last preceding scheduled work day within the week in which that holiday falls.

(205) Employees eligible under these provisions shall receive eight hours pay for each of the holidays specified in Paragraph (203), computed at their regular straight time hourly rate exclusive of overtime premium.

[See Par. (87)(6),(89),(101)(i),(205a)]

(205a) For holidays specified in Paragraph (203), eligible employees shall have the night shift premium rate which attached to the straight time hours on their last straight time day worked preceding the holiday included in the computation of holiday pay paid pursuant to Paragraph (205).

[See Par. (87)(6),(89)]

(206) Employees whose work is in necessary continuous seven-day operations as covered by Paragraph (87) of the National Agreement shall receive holiday pay only in the event the holiday falls on one of their regularly scheduled days off, and they meet the other eligibility requirements of this Holiday Pay Section; provided, however, that such employees shall not receive holiday pay if they are scheduled to work on such day off and absent themselves from scheduled work on such holiday without reasonable cause acceptable to Management.

[See Par. (87)(6)]
[See Par. (87)(3)]

(207) Employees of a General Motors plant who obtain employment in another General Motors plant will be eligible for holiday pay during their probationary period provided they have seniority in the home plant as of the date of the holiday and they are otherwise eligible under the terms of these provisions on Holiday Pay.

(208) Seniority employees who have been laid off in a reduction of force (except as provided below), or who have gone on sick leave, on leave of absence for military service, or on a Leave for Family and Medical Reasons, during the work week prior to or during the week in which the holiday falls, shall receive pay for such holiday.

Seniority employees who work in the fourth work week prior to the week in which the Christmas Holiday Period begins, and who are laid off in a reduction in force during that week, or seniority employees who are laid off in a reduction in force during the first, second or third work week prior to or during the work week in which the Christmas Holiday Period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas Holiday Period providing such employees worked the last scheduled work day prior to such layoff.

Seniority employees who work in the fifth, sixth, or seventh work week prior to the week in which the Christmas Holiday Period begins, and who are laid off in a reduction in force during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas Holiday Period providing such employees worked the last scheduled work day prior to such layoff.

[See Par. (209)]

(209) Employees who have been laid off because of model change, plant rearrangement, or inventory shall be eligible for holiday pay under these Holiday Pay provisions, for a specified holiday falling within the period of such layoff providing they meet all the following eligibility rules:

[See Par. (208)]

(1) They have seniority as of the day of the holiday.

(2) They are ineligible for holiday pay for the holiday under the other provisions of this Holiday Pay Section.

(3) They return to work during the work week in which the holiday falls or during the work week immediately following the work week in which the holiday falls.

(4) They work the first day they are scheduled to work following the holiday.

(210) When a holiday, specified above, falls within an eligible employee's approved vacation period or during a period in which jury duty pay is received pursuant to Paragraph (218) of this Agreement, and such vacation or jury duty causes the employee to be absent from work during the regularly scheduled work week, the employee shall be paid for such holiday.

(211) When eligible employees are on an approved leave of absence and return to work following the holiday but during the week in which the holiday falls, they shall be eligible for pay for that holiday. Eligible employees whose leave of absence terminates during the Christmas Holiday Period, and who report for work on the next scheduled work day after the Christmas Holiday Period, will be eligible for holiday pay beginning with the first holiday such employees would otherwise have worked and each holiday thereafter in the Christmas Holiday Period.

(212) Employees not working in necessary continuous seven-day operations who may be requested to work on a holiday and have accepted such holiday work assignment and then fail to report for and perform such work, without reasonable cause, shall not receive holiday pay under this Holiday Pay Section.

[See Par. (203)]

(213) When any of the above-enumerated holidays falls on Sunday and the day following is observed as the holiday by the State or Federal Government, the day of observance shall be considered as the holiday under the provisions of this Holiday Pay Section.

[See Par. (86)]

(213a) It is the purpose of the Holiday Pay Provisions in Paragraphs (203) through (213) of this Agreement to enable eligible employees to enjoy the specified holidays with full straight time pay. If, with respect to a week included in the Christmas Holiday Period, employees supplement their Holiday Pay by claiming and receiving an unemployment compensation benefit, or claim and receive waiting period credit, to which they would not have been entitled if their Holiday Pay had been treated as remuneration for the week, such employees shall be obligated to pay to the Corporation the lesser of the following amounts:

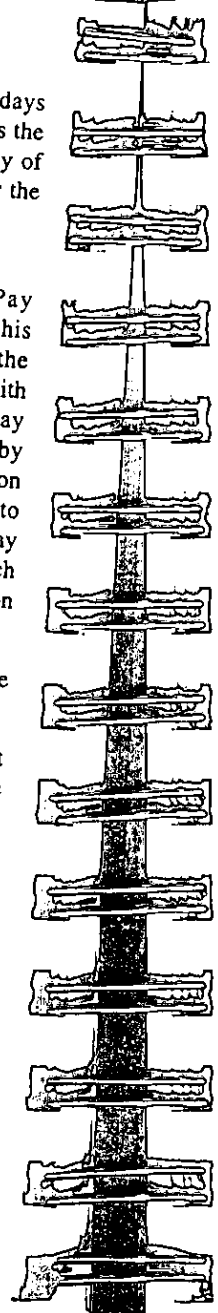
(a) an amount equal to their Holiday Pay for the week in question, or,

(b) an amount equal to either the unemployment compensation paid to them for such week or the unemployment compensation which would have been paid to them for such week if it had not been a waiting period.

The Corporation will deduct from earnings subsequently due and payable the amount which such employees are obligated to pay as provided above.

GENERAL PROVISIONS

(214) After consultation with the Shop Committee, the Corporation shall make reasonable rules in each plant regarding smoking. Any protest against the reasonableness of the rules may be treated as a grievance.



(215) Supervisory employees shall not be permitted to perform work on any hourly-rated job except in the following types of situations: (1) in emergencies arising out of unforeseen circumstances which call for immediate action to avoid interruption of operations; (2) in the instruction or training of employees, including demonstrating the proper method to accomplish the task assigned. Complaints of repeated violations of this paragraph will be handled under the provisions of Paragraph (5a) of the National Agreement. For the purposes of this Special Procedure only, prior to being referred from the plant, the problem will be discussed between the Chairperson of the Shop Committee, the President of the Local Union, the Regional Servicing Representative, the Plant Manager and the Plant Personnel Director.

(216) A report of physical examination and any laboratory tests made by physicians acting for the Corporation will be given the personal physician of the individual employee involved upon the written request of the employee.

[See Par. (43b)]

(217) Employees working on their regular shifts on pay day will be paid on the job in a manner that will not result in loss of time by the employee or loss of production. Employees who are not working on their regular shifts on pay day will be paid in accordance with the practice that is or may be established to meet local conditions.

(218) Employees with seniority in any General Motors plant who are summoned and report for jury duty (including coroner's juries), as prescribed by applicable law, or who report for pre-jury duty examination required by the court or administrative governmental agency, shall be paid by the Corporation the wages (including night shift premium) they

otherwise would have earned by working during straight-time hours for the Corporation for the day on which they report for pre-jury duty examination, and for each day on which they report for or perform jury duty and on which they otherwise would have been scheduled to work for the Corporation.

Employees with an established shift starting time on or after 7:00 p.m. and on or before 4:45 a.m. will be excused from work on either their shift immediately preceding the jury service, or their shift immediately following the completion of the jury service, at the option of the employee. Such employee must notify their immediate supervisor of their election prior to being absent from work.

In order to receive payment, employees must give local Management prior notice that they have been directed to report for pre-jury duty examination or have been summoned for jury duty and must furnish satisfactory evidence that they reported for such examination or reported for or performed jury duty on the days for which they claim such payment. The provisions of this Paragraph (218) are not applicable to employees who, without being summoned, volunteer for jury duty.

[See Par. (87)(6),(101)(i),(137)(c)(1)]
[See Par. (187),(210)]
[See App. B,C]

(218a) Employees with seniority in any General Motors plant who are called to and perform short-term active duty of thirty (30) days or less, including annual active duty for training, as a member of the United States Armed Forces Reserve or National Guard, shall be paid as provided below for days spent performing such duty provided they would not otherwise be on layoff or leave of absence.

A payment will be made for each day, except for a day for which they receive holiday pay, which they would otherwise have worked equal to the amount by which their straight time rate of pay as of their last day worked plus applicable night shift premium (but not including overtime) for not more than eight (8) hours, exceeds their military earnings for that day including all allowances except for rations, subsistence and travel. Except for short term active duty of thirty (30) days or less performed by employees called to active service in the National Guard by state or federal authorities in case of public emergency (e.g., disaster relief), payment is limited to a maximum of fifteen (15) working days in a calendar year.

In order to receive payment under this Paragraph (218a), employees must give local Management prior notice of such military duty and, upon their return to work, furnish Management with a statement of the military pay received for performing such duty.

[See Par. (87)(6),(101)(i),(112a)]
[See Par. (137)(c)(1),(187)]
[See App. C]

(218b) When death occurs in an employee's immediate family as defined below, and the employee has seniority in any General Motors plant, the employee, on request, will be excused for any of the first three (3) normally scheduled working days or the first five (5) normally scheduled working days in the case of the death of an employee's current spouse, parent, child, or stepchild (excluding Saturdays, Sundays and holidays) immediately following the date of death. The five-(5) day limit will also apply in cases of multiple deaths of members of the employee's immediate family resulting from a single incident. The immediate family for purposes of this Paragraph (218b) is defined as including the employee's:

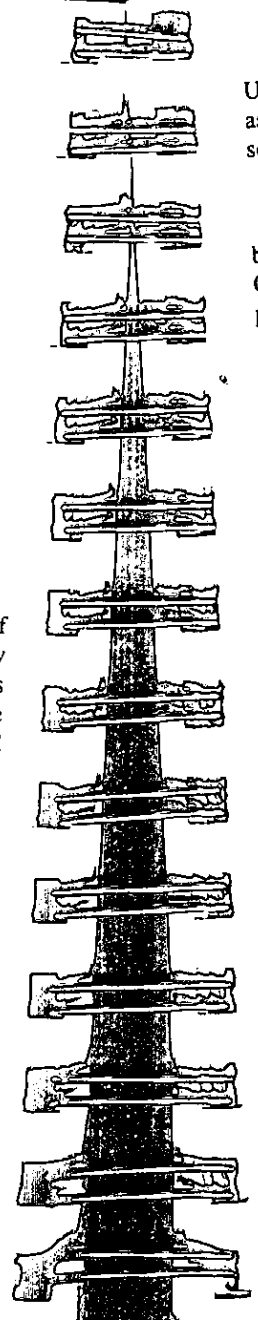
Spouse
Parent
Step-Parent
Grandparent
Great Grandparent
Child
Step-Child
Grandchild
Brother
Step-Brother
Half-Brother
Sister
Step-Sister
Half-Sister
Current Spouse's Parent
Current Spouse's Step-Parent
Current Spouse's Grandparent
Current Spouse's Great Grandparent

In the case of an employee who is granted a leave of absence due to the illness of an immediate family member, as above defined, and such family member dies within the first seven (7) calendar days of the leave, the requirement that the employee otherwise be scheduled to work will be waived.

Employees excused from work under this Paragraph (218b) shall, after making written application, receive the amount of wages they would have earned by working during straight time hours on such scheduled days of work for which they are excused (excluding Saturdays, Sundays and holidays, or, in the case of employees working in necessary continuous seven-day operations, the sixth and seventh work days of the employee's scheduled working week and holidays).

[See Par. (87)(6),(101)(i),(137)(c)(1)]
[See App. B, C]
[See Doc. 93]

(219) With respect to any matter that is to be negotiated locally the Corporation will fully inform the



Union and the Union will fully inform the Corporation, as to the limits, if any, set by higher authority upon the scope of the local negotiations.

[See Par. (220)]

(220) No provisions of any local agreements between local Plant Managements and Shop Committees therein shall supersede or conflict with any provisions of this Agreement.

[See Par. (59),(75),(100),(219)]
[See App. J]
[See CSA #11]

(221) No local agreement containing a termination clause shall be terminated except in accordance with such termination clause and then only if notice of termination is countersigned by the Director of the GM Department of the International Union or the Director of Labor Relations of the Corporation as the case may be.

[See CSA #9]

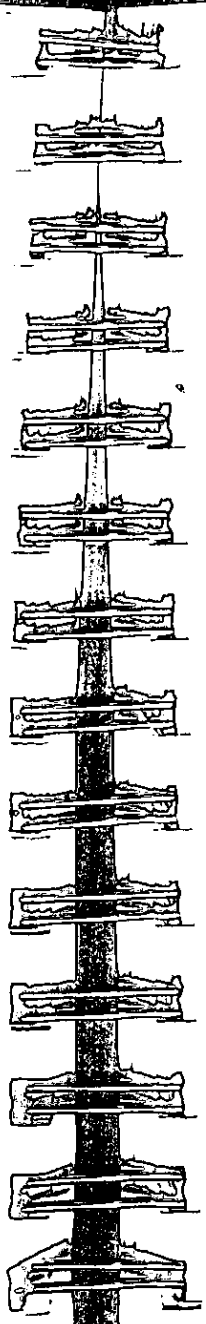
(222) No provision of this Agreement shall be retroactive prior to the date hereof unless otherwise specifically stated herein.

(223) This Agreement shall continue in full force and effect without change until 11:59 P.M. (Detroit Time), September 14, 2007. If either party desires to terminate this Agreement, it shall 60 days prior to September 14, 2007, give written notice of the termination. If neither party shall give notice to terminate this Agreement as provided above, or to modify this Agreement as hereinafter provided, the Agreement shall continue in effect from year to year after September 14, 2007, subject to termination by either party on sixty (60) days' written notice prior to September 14th of any subsequent year.

If either party desires to modify or change this Agreement it shall, sixty (60) days prior to September 14, 2007, or any subsequent September 14th date, give

written notice to such effect. Within ten days after receipt of said notice, a conference will be arranged to negotiate the proposals in which case this Agreement shall continue in full force and effect until terminated as provided hereinafter.

If notice of intention to modify or change has been given in accordance with the above provisions, this Agreement may be terminated by either party on thirty (30) days' written notice of termination given on or after the next August 15th following said notice of intention to modify or change.



PENSION PLAN, LIFE AND DISABILITY BENEFITS PROGRAM, HEALTH CARE PROGRAM, SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN, GUARANTEED INCOME STREAM BENEFIT PROGRAM, PROFIT SHARING BENEFIT PROGRAM, PROFIT SHARING PLAN, PERSONAL SAVINGS PLAN, AND GROUP LEGAL SERVICES PLAN

(224) The parties have provided for a Pension Plan, a Life and Disability Benefits Program, a Health Care Program, a Supplemental Unemployment Benefit Plan, a Guaranteed Income Stream Benefit Program, a Profit Sharing Plan, a Personal Savings Plan, and a Legal Services Plan by Supplemental Agreements signed by the parties simultaneously with the execution of this Agreement, which Supplemental Agreements are attached hereto as Exhibit "A", Exhibit "B", Exhibit "C", Exhibit "D", Exhibit "E" and Exhibit "F", Exhibit "G" and Exhibit "I" respectively and made parts of this Agreement as if set out in full herein, subject to all provisions of this Agreement. No matter respecting the provisions of the Pension Plan or the Life and Disability Benefits Program or the Health Care Program or the Supplemental Unemployment Benefit Plan or the Guaranteed Income Stream Benefit Program or the Profit Sharing Plan or the Personal Savings Plan or the Legal Services Plan shall be subject to the grievance procedure established in this Agreement, except as expressly provided in Paragraph (46) of this Agreement.

[See Doc. 84]

WAIVER

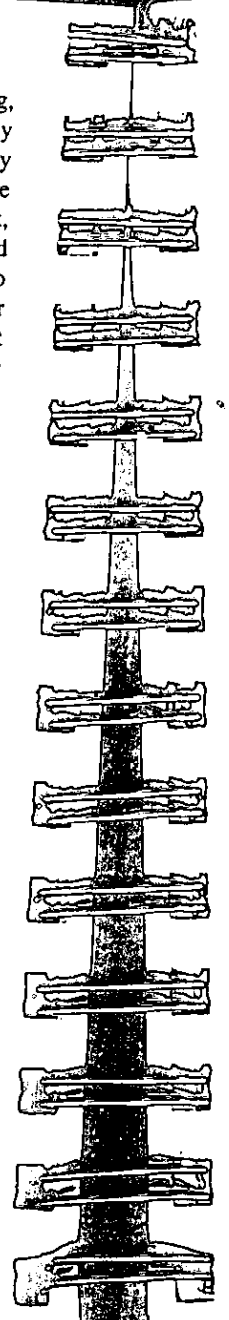
(225) The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not

removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Corporation and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

(226) Partial Invalidity of Agreement - Should the parties hereafter agree that applicable law renders invalid or unenforceable any of the provisions of this Agreement, including all agreements, memoranda of understanding, or letters supplemental, amendatory, or related thereto, the parties may agree upon a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement of the parties, without the need for further ratification by the Union membership, and shall remain in effect for the duration of this Agreement.

(227) Separability - In the event that any of the provisions of this Agreement or of any local agreement, including all agreements, memoranda of understanding, or letters supplemental, amendatory, or related thereto, shall be or become legally invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions thereof.

In witness whereof, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives the day and the year first above written.



INTERNATIONAL UNION, UAW

RON GETTELFINGER
RICHARD SHOEMAKER
JIM BEARDSLEY
HENDERSON SLAUGHTER
JOE SPRING
BILL STEVENSON
DAVE CURSON
JIM SHROAT
RON BIEBER
SCOTT CAMPBELL
ANTONIO ORTIZ
TOM WALSH
TOM WEEKLEY
WILLIE WILLIAMS
LEON SKUDLAREK
ESTHER CAMPBELL
HAROLD COX
GREG FEDAK
MARK KELLY
FAYE MCAFEE
RICK MCKIDDY
PAUL MITCHELL
HAROLD SHELTON
DAVID SHOEMAKER
LAWRENCE SMITH
MAURICE STATEN
CINDY SUEMNICK
LARRY SZUMAL
RON BROGAN
BOB BUENO
MIDGE COLLETTE
MARK HAWKINS
JIM JENKINS
LEE JONES
MIKE JONES
LARRY KUK
RICK O'DONNELL
DARRELL SHEPARD
CLYDE SIMS
RAY ALLEN
PAUL ALLMAND
GORDON ANDREWS
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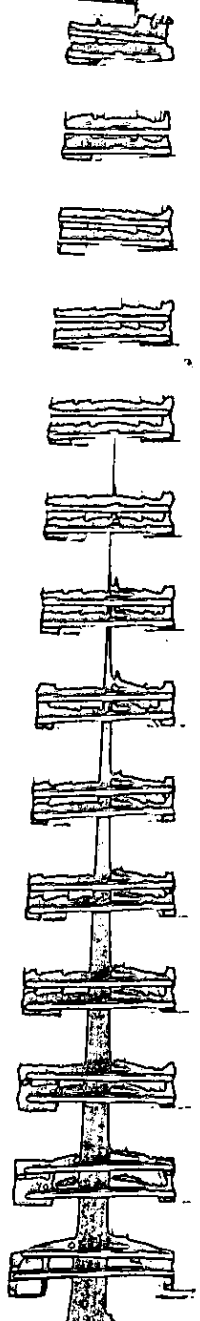

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APPENDIX A

MEMORANDUM OF UNDERSTANDING EMPLOYEE PLACEMENT

It is recognized that the hiring of new employees in one location while there is a surplus of seniority employees in other locations is not in the best interest of the parties. Therefore, the parties will provide eligible seniority laid-off, Protected and active seniority employees an opportunity to relocate to UAW-GM facilities outside of their area, with particular emphasis on placing employees from closed or idled facilities. For the purposes of this Memorandum, seniority refers to longest unbroken GM seniority.

When employed, such employees will acquire seniority in the plant where hired in accordance with Paragraphs (56) and (57) of the National Agreement.

In the event of a permanent opening at a GM facility, the following placement procedure is to be utilized:

1. Plant Recall
2. Plant Rehire
3. Area Hire
   a. Combined list of seniority employees on indefinite layoff, Protected employees, active employees from plants that have excess employees and seniority return to former community applicants.
   b. Volunteers will be placed in seniority order.
   c. In the event of insufficient volunteers, the employee with the least seniority on the Area Hire List (except active and Protected status employees) will be offered the job.

4. Extended Area Hire - Closed Plants

   –Volunteers will be placed in seniority order.

5. Extended Area Hire - Closed Plant Return to Former Community

   – Volunteers will be placed in seniority order.

6. Other Extended Area Hire (includes GIS eligible)

   a. Includes volunteers from plants with excess employees, from plants where replacement is available, or from plants where there is no need to replace.

   b. Volunteers will be placed in seniority order.

7. Area Hire Protected Status Non-Volunteers

   a. Protected status employees will be placed unless either party identifies a compelling reason not to do so.

   b. Non-volunteers will be placed in inverse seniority order.

8. Area Hire Active Employees from Plants without Replacement

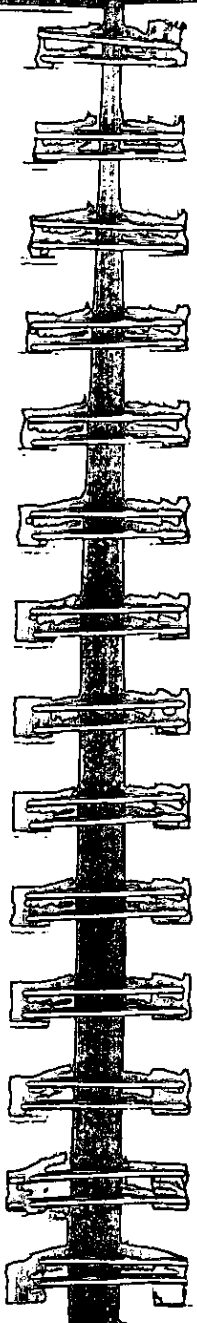
   – Volunteers will be placed in seniority order.

9. Extended Area Hire Active Employees from Plants without Replacement

   – Volunteers will be placed in seniority order.

In administering the Placement Procedure, items (1) through (9) above will be applied sequentially.

Active employees who volunteer and are placed in accordance with this Placement Procedure must terminate seniority at their current location.



It is understood that the National Parties may mutually agree from time to time to other special provisions, including offering jobs to active or Protected employees. (For Delphi flowback see Contract Settlement Agreement - Paragraph 25.)

It is further understood that the National Parties may also mutually agree to deviate from the above order of selection in a particular situation.

In addition, the Union assured the Corporation of its willingness to implement Document No. 118.

Any complaints regarding the application of these provisions in any plant may be taken up with Local Management of that plant by the local Shop Committee and if not resolved may be referred to the GM Labor Relations and the International Union for resolution; however, the above provisions shall not be the basis for any claims for back wages or any form of retroactive adjustments.

It is understood that if an employee whose problem is referred to the GM Labor Relations and the International Union is adjudged by the National Parties to be entitled to an adjustment, the employee will be offered an available opening as soon as possible, but in any event within two weeks of such decision. If no such opening develops, he or she will be offered the opportunity to displace a lesser seniority employee, seniority permitting, at the plant where the problem occurred.

I. AREA HIRE PLACEMENT (Formerly Appendix A and Document No. 21)

A. An Area Hire Area is comprised of all plants within a 50 mile radius of a given plant or larger as may be agreed upon by the National Parties.

B. Employees on the Area Hire List include: seniority employees on indefinite layoff, Protected status, active employees from plants that have excess employees, and seniority return to the former community applicants.

C. Such employees will be given the opportunity to designate from among those plants within their Area Hire Area which plants, if any, they volunteer to accept an offer of employment, should future job openings occur. An employee will be allowed to change the plants so designated any time prior to a bona fide job offer.

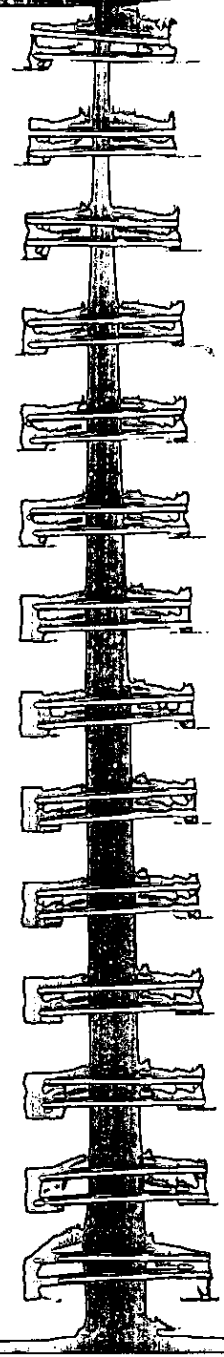
D. In the event that higher seniority employees are placed on layoff, employees with the least seniority who would have otherwise been laid off will be placed on the Area Hire List. Such employees placed on the Area Hire List will be advised of this fact and be given the opportunity to designate plants within the Area Hire Area.

E. Volunteers will be offered the available jobs in seniority order.

F. Laid off employees who refuse any job offer within the Area Hire Area will be placed on a formal leave of absence without Corporate-paid benefits with recall only to a job in the regular active workforce.

Protected status employees who refuse any job offer within the Area Hire Area will be placed on lay off.

G. Active employees will be made a maximum of three (3) Area Hire job offers in each year of this Agreement. Such employees may



later be eligible to refile an Area Hire application in the event that their status changes at their current plant.

H. When selecting employees the longest unbroken GM seniority date will be used for non-skilled job offers. For skilled trades job offers, the longest unbroken seniority date in the skilled trades classification will be used. In the event that two or more employees have the same longest unbroken seniority date, the employee's entire social security number in ascending order will be used as the tie breaker.

I. Skilled trades journeymen/women laid off from a plant and working in a non-skilled trades classification will have their name placed on the area hire list and will remain eligible for area hire in the same or a related skilled trades classification.

J. It is further understood that each plant would review local procedures for implementing the provisions of Area Hire and Extended Area Hire Placement and that during these reviews particular attention would be directed toward insuring that information regarding applying for Area Hire and Extended Area Hire Placement is made available to all seniority employees. Employees will receive confirmation of their application(s).

II. EXTENDED AREA HIRE PLACEMENT
(Formerly Document No. 28)

A. Seniority laid off, Protected and active employees will be given the opportunity to indicate their interest in working at another GM location outside their Area Hire Area.

B. Employees continue to be eligible for Extended Area Hire placement as long as they retain unbroken GM seniority.

C. The offer of an available job will be made in seniority order from volunteers on the Extended Area Hire List.

D. If an opening occurs for which an active employee is eligible, the active employee will be given the opportunity to fill the opening only if there is a seniority employee within the Area Hire Area to replace the active employee, if required.

E. Employees who have filed an Extended Area Hire Application will receive up to three (3) offers for placement in each year of the Agreement to one of the plants they have selected. If employees do not take advantage of any of these offers, their Extended Area Hire Application will be canceled at the end of each year. Such employees may later be eligible to refile an Extended Area Hire Application only in the event their status changes at their present location.

F. Employees will be eligible for relocation as described in the Relocation Section (Section VI) of this Memorandum of Understanding Employee Placement and in Paragraph (96a) of the National Agreement.

G. Employees who are placed in accordance with the Extended Area Hire Placement provisions of the National Agreement and who accept the Basic Relocation Option specified in Paragraph (96a) of the National Agreement may not be subject to recall or rehire or Extended Area Hire placement at

any General Motors plants, for a period of six (6) months or until permanently laid off under conditions which establish there is no reasonable likelihood of recall, whichever occurs first. It is understood that the six month period may be modified or extended by mutual agreement between the Corporation and the International Union, UAW.

At the end of such period, employees who would otherwise have been recalled or rehired to a former location(s) may either remain at the current plant or return to such previous location. If an employee returns, the local parties may make adjustments necessary to insure that the employee is neither advantaged nor disadvantaged by the above provisions. Local Managements have ninety (90) days following the date an employee elects to return to accomplish such adjustments.

H. Employees will be given a reasonable amount of time to relocate to another plant.

I. Employees who are placed in accordance with Appendix A and accept the Enhanced Relocation Allowance will not be eligible to initiate another Extended Area Hire placement or initiate an Area Hire placement as an active employee for a period of 36 months unless the employee's status changes to laid off or Protected. In the event the plant has excess employees on permanent indefinite layoff or placed on Protected status with no likelihood of recall into the active workforce, the 36 month period will be eliminated.

J. Eligible employees from closed plants who have relocated via Extended Area Hire will be given preference to return to a plant in their former community. Such employees will receive the applicable relocation allowance.

III. AREA HIRE PROTECTED STATUS NON-VOLUNTEERS

A. In the event there are insufficient volunteers for an opening, the Protected status employee with the least seniority on the Area Hire list will be offered the job. Protected status employees will be placed unless either party identifies a compelling reason not to do so.

B. Employees will be made job offers in inverse seniority order.

C. Protected status Non-volunteers who refuse any job offer within the Area Hire Area will be placed on layoff.

IV. AREA HIRE PLACEMENT FROM PLANTS WITHOUT REPLACEMENT

A. Upon receiving new hire approval, active employees at Area Hire plants without replacement will be made a job offer.

B. Such active employees will be offered the available job in seniority order. The new hire will be placed at the Area Hire plant to replace the active employee.

C. Such active employees will be made a maximum of three (3) Area Hire job offers in each year of this Agreement. Such employees may later be eligible to refile an Area Hire Application in the event that their status changes at their current plant.

V. EXTENDED AREA HIRE PLACEMENT FROM PLANTS WITHOUT REPLACEMENT

A. Upon receiving new hire approval, active employees at Extended Area Hire plants without replacements will be made a job offer.

B. Such active employees will be offered the available job in seniority order. The new hire will be placed at the Extended Area Hire plant to replace the active employee.

C. Such employees will be eligible for a basic relocation allowance.

D. All other provisions of Section II of this Memorandum shall apply to employees made job offers under this Section.

VI. RELOCATION

A. Any employees who are employed and relocate in accordance with Appendix A will be eligible to receive a relocation allowance and relocation services as specified in Paragraphs (96a) (1), (2), (3), and (4), of the National Agreement.

B. Employees who return to their former community pursuant to the Return to Former Community Procedure will be eligible for a basic relocation allowance.

VII. PHYSICALS

A. When physicals are conducted on Area Hire or Extended Area Hire Applicants, the criteria used is the same as that used for a Fit for Duty exam when an employee of that plant is undergoing a reinstatement to return to work from a sick leave.

B. In medical disputes, the National Parties may refer the employee for an impartial medical opinion.

VIII. SENIORITY RETURN TO FORMER COMMUNITY (Formerly Document No. 14)

The following methods and procedures detail the circumstances under which eligible employees who apply will be offered the opportunity to return to their former community.

A. Eligible employees are those seniority employees on roll at a plant who have been relocated to that plant from a plant outside the Area Hire in accordance with Appendix A and worked there six (6) months and who still retain seniority at a plant in the former community.

B. Eligible employees will be given the opportunity to file an application to return to their former community. Employees will receive a confirmation of their application.

Employees may have only one return to former community application on file at any given time. Once employees return to a former community under the provisions of this document, they are no longer eligible to return to any other community until such time as they are laid off or relocate in accordance with Appendix A.

C. Eligible employees who have applied to return to their former community shall have their names placed on the Area Hire list for the plants within the community to which they have applied.

D. At the time of receiving an offer to return to a plant in a former community, employees who have filed a Return to Former Community Application, may elect to receive a payment of $6,000 to remain at their current plant. As a result of receiving this payment, the employees will terminate seniority and return rights at all other GM facilities and therefore no longer be eligible for Return To Former Community consideration.

E. Employees returning to a plant in their former community will acquire seniority in accordance with the Application of Corporate Seniority Section (Section IX) of this Memorandum.

F. Should employees return to their former community under the provisions of this Section, their seniority will be terminated pursuant to the provisions of Paragraph (64)(d) at the plant from which they are leaving, effective with the date to report to the new plant.

G. It is recognized that the plant from which the eligible employee is released must do so in a manner consistent with the maintenance of quality and efficiency. Accordingly, no eligible employee will be released until a fully trained replacement is available. Consistent with these principles, it is recognized that the rate at which employees are released may vary due to the types of jobs held by such employees, the availability of replacement personnel, product or new model launch, the releasing plant's staffing requirements or other business reasons. In all cases, management will endeavor to release employees as quickly as possible.

IX. APPLICATION OF CORPORATE SENIORITY
(Formerly Appendix D-1)

A. Employees who are moved to a secondary plant in accordance with this Memorandum, while retaining unbroken seniority in their base plant, shall establish seniority in such secondary plant as follows:

1. Employees with seniority dates of January 7, 1985 or earlier will establish an adjusted plant seniority date of January 7, 1985.

2. When two (2) or more employees establish the same plant seniority date pursuant to Paragraph (1) above, the date established for each employee for vacation under Paragraph (190) of the National Agreement will be used to determine seniority preference among such employees.

3. Employees with seniority dates subsequent to January 7, 1985 will establish that subsequent date as their plant seniority date.

4. Journeymen/women or E.I.T.S. employees with unbroken Skilled Trades seniority dates or dates of entry of January 7, 1985 or before, who are employed in the same or related Skilled Trades Classification, will establish a date of entry of January 7, 1985 in that classification.

5. When two or more journeymen/women or E.I.T.S. employees establish the same date

of entry in the same classification and plant pursuant to Paragraph (4) above, each employee's longest unbroken seniority in that classification in any General Motors plant covered by the Agreement, will be used to determine seniority preference among such employees for all purposes applicable to that classification.

6. Journeymen/women or E.I.T.S. employees with unbroken skilled trades seniority dates or dates of entry subsequent to January 7, 1985 who are employed in the same or a related skilled trades classification, will establish that subsequent date as their date of entry in that classification.

7. Journeymen/women or E.I.T.S. employees who are employed in non-skilled classifications and later reclassified to the same or related Skilled Trades Classification, will establish a date of entry as though originally employed in that classification in accordance with (4) or (6) above, whichever is applicable.

B. Journeymen/women or E.I.T.S. employees reclassified to related Skilled Trades Classifications in their same plant will establish a date of entry in accordance with (7) above, or applicable Local Seniority Agreement provisions, whichever is earlier.

C. The above provisions are not applicable to laid off apprentices who are employed in the apprentice program in another plant.

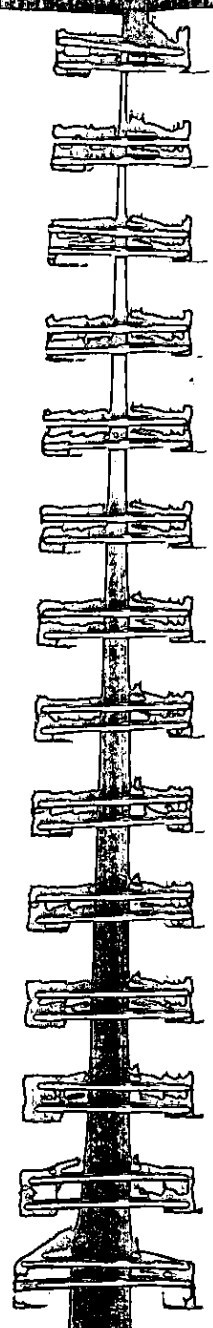
X. VACATION REPLACEMENTS AND OTHER EMPLOYEES HIRED FOR TEMPORARY WORK (Formerly Appendix D-2)

Employees who are on layoff from any GM-UAW plant who retain unbroken seniority in any such plant on the date they are hired as a vacation replacement or for other temporary work in any other plant covered by the National Agreement, or a new employee who does not have seniority in any General Motors plant who is hired for such work shall be employed in accordance with the following:

A. An employee may be hired as a vacation replacement or to fill other job openings of a temporary nature.

B. Vacation replacements may be employed under the provisions of this Memorandum commencing the second Monday in May each year and ending no later than 120 days thereafter. The utilization of vacation replacements and other employees hired for temporary work shall be discussed in advance with the local JOBS Committee. Requests for vacation replacements and other employees hired for temporary work shall be made in writing to the National Parties for mutual approval.

C. In the event of permanent job openings which involve the relocation of employees, the National Parties may agree to hire temporary employees under the provisions of this Section to enable plants to operate effectively while permanent seniority employees are being identified or relocated at the new location.



D. Time worked by a vacation replacement or other temporary employee who is hired pursuant to this Memorandum will not be included in the computation for acquiring seniority pursuant to Paragraph (57) and Appendix D.

E. Such time worked by a laid off seniority employee will not be considered in the calculation for breaking seniority and exhausting rehire rights at a former plant pursuant to Paragraph (64e).

F. The provisions of the Application of Corporate Seniority (Section IX) of this Memorandum are not applicable to employees hired pursuant to this Section X.

G. An employee with seniority hired at a secondary plant for vacation replacement or other temporary work will remain eligible for permanent job openings in accordance with the provisions of Area Hire Placement (Section I) and Extended Area Hire Placement (Section II) of this Memorandum.

H. All other provisions of the National Agreement and its Exhibits shall apply to employees hired pursuant to this Memorandum.

I. This procedure does not apply to permanent job openings.

J. The National Parties are authorized to make modifications and adjustments as necessary.

XI. TEMPORARY OPENINGS - PARAGRAPH (64)(e) (Formerly Document No. 16)

A. Laid off employees working at permanent jobs in other General Motors plants, whose seniority would entitle them to be recalled to

former locations to fill openings considered at the time to be temporary, will not be recalled or rehired under such circumstances.

B. Furthermore, if laid off employees working at permanent jobs with outside employers or participating in the UAW-GM Dislocated Worker Program are recalled to their former locations to fill openings considered at the time to be temporary, those individuals who desire to be bypassed under the provisions of this Section should notify the appropriate General Motors employment office.

C. In this regard, solely for the purposes of calculating the periods relative to breaking seniority and exhausting rehire rights at the former plant pursuant to Paragraph (64)(e), such employees in Sections (A) and (B) above shall be considered as having accepted recall to their former plant on the date such work became available and returned to layoff status at such time as the period of temporary work is completed.

XII. TRAINING

In order to ensure consistent administration of Area Hire and/or Extended Area Hire, training materials will be developed and a joint meeting will be held of those people responsible for the administration of these provisions. Costs for the training will be covered by joint funds upon approval of the Executive Board-Joint Activities. Topics to be discussed, but not limited to, are:

- Changes in the Area Hire provisions and related matters as a result of 2003 Negotiations.

- Review of existing procedures and provisions.
- ADAPT (Accommodating DisAbled People in Transition).

APPENDIX B

Inter-Organization

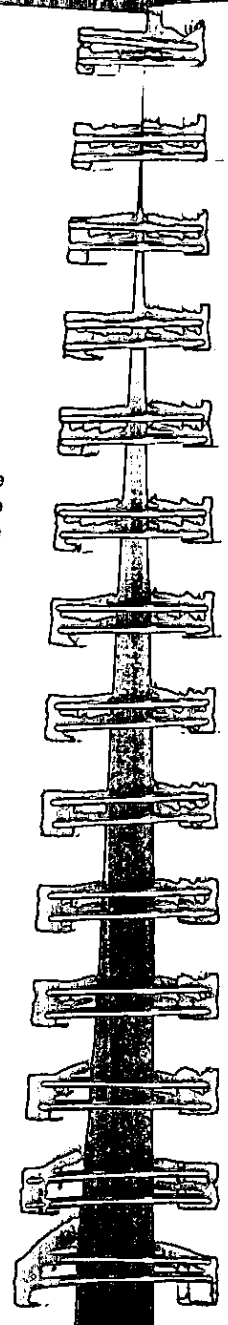
GENERAL MOTORS CORPORATION

Date: September 18, 2003
Subject: Date of Entry Status - Apprentices and EIT's
To: All Personnel Directors of Plants Covered by the GM-UAW National Agreement

During the course of the discussions leading to the current National Agreement, the Corporation and the UAW discussed situations where the placement in the program of a selected apprentice or EIT applicant is delayed. The Union emphasized that problems resulted when such a delay occurs due to (1) an approved leave of absence for jury duty, (2) approved time off pursuant to the Vacation Entitlement Section, (3) a sick leave of absence under the provisions of Paragraph (106) or (108), (4) the short term needs of Local Management such as the necessity to train a replacement for the person who has been selected, or (5) an absence which qualifies the employee for bereavement pay, (6) for paid absence allowance time off under the provisions of prior agreements, or (7) for short term military duty.

The Corporation has advised the Union that if an opening occurs and the person selected to fill the opening is delayed for one of the reasons specified above and the delay is for not more than 21 calendar days, that person's date of entry for seniority purposes shall be the date he or she would have originally been placed in the opening.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations



APPENDIX C

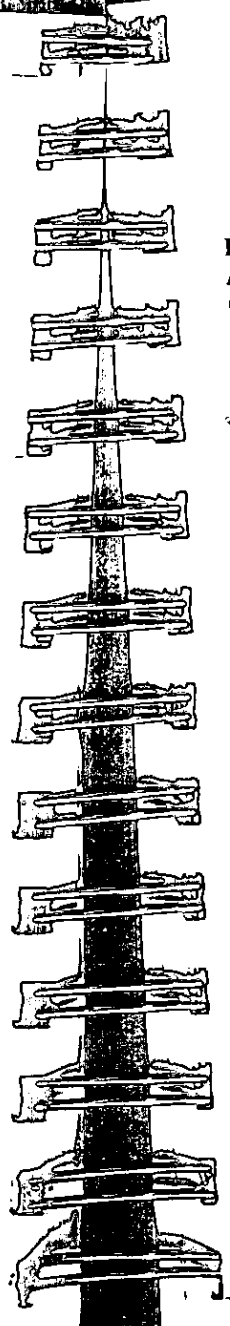
The parties hereto agree as follows:

1. Employees whose training in the skilled trades was interrupted by a leave of absence under Paragraph (105a), the portion of a leave of absence under Paragraph (106) occurring on and after January 1, 1980, Paragraph (108) or Paragraph (112), or for Jury Duty, approved absences which qualify under the Bereavement Pay, Paid Absence Allowance, Paid Personal Holiday Plan under prior Agreements or Short Term Military Duty Sections of this Agreement, by approved vacation time off, by up to thirty (30) calendar days of layoff in a calendar year occurring on and after January 1, 1988, and all time on layoff out of the program occurring on and after January 1, 1991, and who thereafter qualify for status as employees-in-training-seniority (E.I.T.S.) or are reclassified as journeymen/women in the skilled trades, shall, at such time, be given the same E.I.T.S. date or journeyman/woman seniority date as they would have received if they had not been on such leave, layoff or approved absence.

2. Employees-in-training (E.I.T.) or employees-in-training-seniority (E.I.T.S.) shall be credited with seven days worked in a skilled trades classification for each pay period during which they worked in that classification in that plant and seven days for the pay period in which the full week of Christmas holidays fall provided such employees would otherwise have been scheduled to work in that plant. Such employees shall receive credit as time worked in a skilled classification for time spent on approved leaves of absence from that classification up to but not exceeding an aggregate of thirty (30) calendar days within the calendar year. Such employees will

not receive credit as time worked in a skilled classification for any portion of the leave that they would have been laid off in a reduction in force or returned to their production classification had they not been granted such leave.

3. Employees-in-training (E.I.T.), who are Committeepersons or in-plant full time Union Representatives, shall be credited with seven days worked in a skilled trades classification for each pay period during which they function in such capacity until they acquire employee-in-training-seniority (E.I.T.S.) status. Thereafter they shall be credited as provided in 2. above.



APPENDIX D

INTERPRETATION OF PARAGRAPH (4) THRU (4c) AND PARAGRAPH (57)

Rules for Computing Seniority of Employees Who Acquire Seniority by Working 90 Days Within Six Continuous Months, and Computing the Period Specified in Paragraph (4) thru (4c)

1. Credit toward acquiring seniority will begin with the first day worked by the new employee and will include the subsequent days of that pay period.

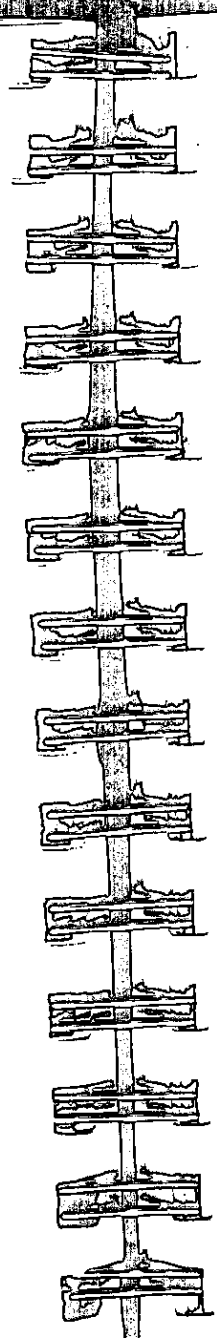
2. Thereafter during six consecutive months until the employee acquires seniority the employee will receive credit for seven days for each pay period during which the employee works except that credit will not be given for any days the employee is on layoff.

3. No credit will be given for any pay period during which for any reason, the employee does not work except as provided in Paragraph (108) and in the case of the pay period in which the full week of Christmas holidays or the Independence Week Shutdown falls, provided the employee would otherwise have been scheduled to work.

4. Unless employees are at work on the 90th day of their accumulated credited period, they must work another day within their probationary period to acquire seniority. If the 90th day of their accumulated credited period falls on a holiday or an Independence Week Shutdown Day, the employees will be considered as having seniority as of the holiday or the Independence Week Shutdown Day. If the 90th day of their accumulated credited period falls on their vacation pay eligibility date, the employees will be considered as having seniority as of the vacation pay eligibility date.

5. In the event temporary employees are summoned and report for jury duty as prescribed by applicable law during the period of six continuous months preceding the date they acquire seniority pursuant to Paragraph (57), the employees' seniority when acquired will be adjusted to give the employees credit for seven additional days for each week in the period in which they did not work and during which jury duty was performed. The employees must furnish evidence that the jury duty was performed in order to receive seniority credit in accordance with this provision.

[See Par. (64)(a),(64)(e),(107)]
[See Par. (137)(c)(2),(203)]
[See App. A]



APPENDIX F

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

It is the policy of the General Motors Corporation to perform maintenance work with its own employees, provided it has the labor, skills, equipment and facilities to do so and can do the work competitively in quality, cost and performance and within the projected time limits. At times the Corporation does not deem advisable doing the work itself, and it must, as in the past, reserve to itself the right to decide whether it will do any particular work or let the work to outside contractors. This letter is not to be regarded as impairing that right in any way.

The Corporation hereby assures the Union that it has no plans to change its policy and that it expects to continue its general operating policy of placing primary reliance on its own skilled trades employees to perform maintenance work to the extent consistent with sound business practice, as in the past.

In this regard, we have seen the use of joint Management and Union work schedule and business opportunity teams work very successfully in many of our locations. This approach has not only enhanced job security, but has allowed a better understanding as to the competitive challenges facing the parties. As such, each location is encouraged to establish a skilled trades subcontracting planning team involving both Management and Union representation who will review forecasted work schedules, including projects and jobs which may be subject to subcontracting, in order to

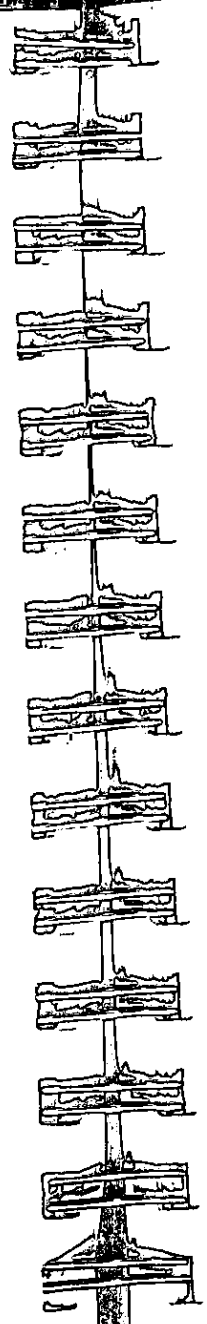
develop the most efficient approach to the work to be performed. Plants who have experienced success with this approach have found that meetings scheduled weekly, if necessary, were most beneficial, and therefore such meetings should be scheduled accordingly at all plants.

The Corporation is genuinely interested in maintaining maximum employment opportunities for its skilled trades employees consistent with the needs of the Corporation. Therefore, in making these determinations, the Corporation intends always to keep the interests of General Motors personnel in mind.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (42a),(183)(a)-(c)]
[See App. F1-F2]
[See Doc. 58,59]



APPENDIX F-1

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1979 negotiations the Union discussed with the Corporation serious problems affecting the job security of employees resulting from contracting out of work.

During the course of negotiations, the Union complained that in certain instances the work force in maintenance and tool and die trades particularly was reduced through attrition and then work was contracted out to the point where there was insufficient manpower available within the plant to perform the work; that in certain instances EIT's were reduced to production jobs and work in their trades which they historically performed and which they were capable of performing was subsequently contracted out for extended periods without recalling the EIT's to the skilled trades jobs from which they had been reduced; and that in certain instances skilled trades employees were permanently laid off and new work which they had historically performed was contracted out for extended periods, instead of recalling these employees to their jobs. Similar complaints were made relative to work in the Corporation's engineering departments. In certain instances, the Union alleged that work historically performed in the Parts Division had been contracted out accounting in part for the reduction in the number of employees in that division.

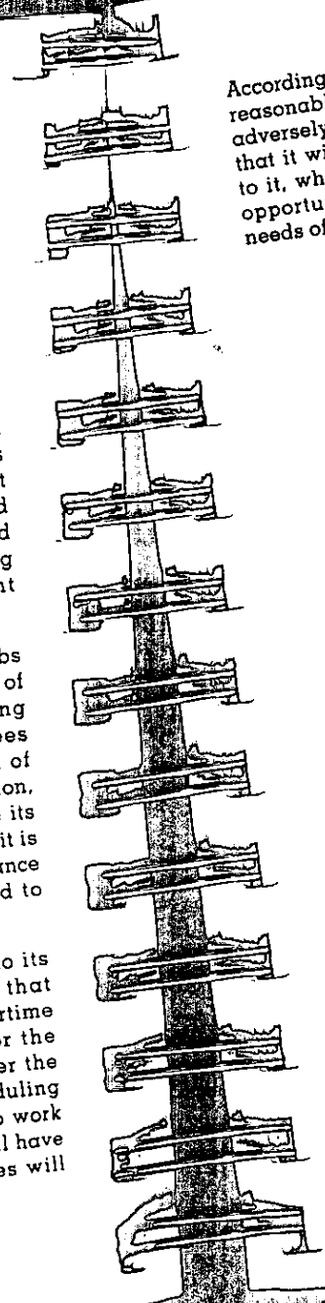
The essential elements in the complaints registered by the Union went to the question of job security.

During the 1996 National Negotiations, the parties reviewed the competitive advantage of General Motors talented skilled trades workforce. Discussed were the Union's concerns for the integrity of the apprenticeable trades, the job security of the skilled trades workforce, the content of skilled trades work assignments, and the status of work functions historically performed by the bargaining unit.

At times it is not practicable for the Corporation to do the work itself, and it must, as in the past, reserve the right to decide whether it will do particular maintenance, tool and die and engineering skilled trades work, or contract it out. The Union recognizes that in making such decisions the Corporation must consider among other things, the efficiencies and economies involved, the need for specialized tools and equipment, special skills and the necessity of meeting production schedules, model change and plant rearrangement deadlines.

In our discussions we agreed that employees' jobs should not be eliminated by reason of a practice of contracting out, and we agreed that existing employment opportunities of seniority employees should not be unnecessarily reduced by reason of management contracting out work. The Corporation, moreover, states that it is its policy to fully utilize its seniority employees, under circumstances in which it is reasonable and practicable to do so, in the performance of work which they have historically performed to produce its product and perform its services.

While GM intends to provide this opportunity to its skilled trades workforce, the parties agreed that prolonged schedules involving substantial overtime were not in the best interest of employees or the Corporation and, as a result, GM must consider the availability of its skilled workforce when scheduling potential overtime. The parties are expected to work out acceptable means by which Management will have reliable information as to the hours employees will work when planning such work schedules.



Accordingly, the Corporation states that it will make a reasonable effort to avoid contracting out work which adversely affects the job security of its employees and that it will utilize various training programs available to it, whenever practicable, to maintain employment opportunities for its employees consistent with the needs of the Corporation.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

{See Par. (42a),(183)(a)-(e)}
{See App. F,F2}
{See Doc. 58,59}

APPENDIX F-2

GENERAL MOTORS CORPORATION

September 14, 1979

International Union, UAW
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Irving Bluestone
Vice President and Director
General Motors Department

Gentlemen:

During the current negotiations the parties discussed the special procedure for processing subcontracting grievances as provided by Paragraphs (42a) and (46).

The parties agreed that should the Director of the GM Department of the International Union elect to handle such a case pursuant to Paragraph (42a) (2), and refer it back to the Appeal Committee for negotiation pursuant to Paragraph (117), such negotiations shall be limited to the issues defined in the written record of the case.

Very truly yours,

George B. Morris, Jr.
Vice President

[See App. F,F1]

APPENDIX H

MEMORANDUM OF AGREEMENT
Selection of Employees-in-Training

Agreement dated this 19th day of November, 1973, between General Motors Corporation and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW),

WHEREAS, the parties have as a mutual objective maximizing employment opportunities for minorities and women as employees-in-training in skilled trades classifications, and

WHEREAS, the parties recognize a need to increase the utilization of minorities and women as employees-in-training at certain locations, and

WHEREAS, the parties recognize that an acceptable utilization rate of minorities and women as employees-in-training may vary from location to location depending upon a complex of circumstances, including the availability of such individuals in the labor market or in the work force having the requisite qualifications for and interest in skilled trades work, and

WHEREAS, the applicable law governing the selection of individuals as employees-in-training in the skilled trades is undergoing continuing development and refinement.

NOW THEREFORE, the parties agree as follows:

1. The GM-UAW Skilled Trades and Apprentice Committee, in consultation with the National Equal Application Committee, shall review the utilization of minorities and women as employees-in-training in skilled trades classifications at the various locations to determine whether obstacles exist to the achievement of a more representative utilization of

such employees who are qualified and interested in skilled trades work; and,

2. Where such obstacles are determined to exist, the GM-UAW National Skilled Trades and Apprentice Committee shall agree upon appropriate action to remedy particular situations or to establish various methods of selection including, where practicable, the establishment of special pre-EIT training programs to further equal employment opportunity for minorities and women in the employee-in-training program.

International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW)	General Motors Corporation
Irving Bluestone	Robert W. Clark
Frank James	J. A. Mollica
William V. Colbath	D. H. Pfeifer
Rudy Pale	C. E. Black
Lester D. Bryan	
H. G. Gillespie	

[See Par. (6a),(122)g.,(153)]
[See Doc. 31]

APPENDIX I

Special Skilled Trades Representative

I. In any Plant on a shift where there are 30 or more skilled trades employees (E.I.T., E.I.T.S., Journeymen/women) who are not represented by a District Committeeperson who is classified as a skilled trades employee, a Special Skilled Trades Representative may be selected as specified below to assist in handling skilled trades grievances as provided hereinafter.

A. In those plants where there is a District Committeeperson on the shift classified as a skilled trades employee, such District Committeeperson shall be the designated Special Skilled Trades Representative on that shift. If there is more than one District Committeeperson on the shift classified as a skilled trades employee, only one shall be selected as the Special Skilled Trades Representative by the Union.

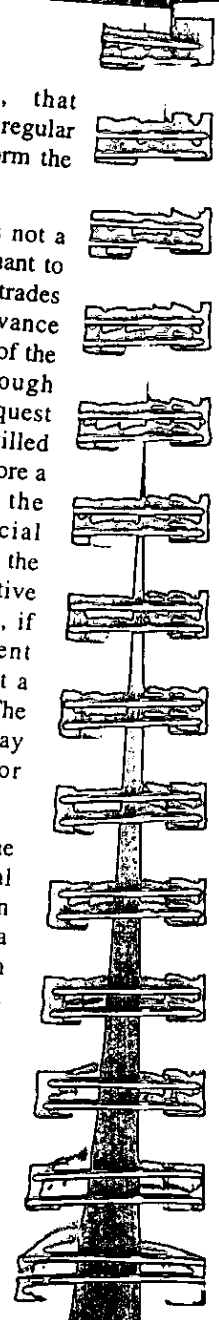
B. Where there is no District Committeeperson on a shift classified as a skilled trades employee, the Local Union will select a skilled trades employee from among those working on that shift to be the Special Skilled Trades Representative and a reservoir of 12 scheduled straight time hours for Monday through Friday will be established for that representative to handle the duties specified below without loss of pay except that time spent attending the regular Shop Committee meetings pursuant to Section II.C. below will not be charged against this reservoir.

II. Upon written notification designating the Special Skilled Trades Representative selected

pursuant to Paragraph I above, that representative will be allowed to leave regular job duties without undue delay to perform the following duties:

A. If a District Committeeperson who is not a skilled trades employee is called pursuant to Paragraph (29) to represent a skilled trades employee to handle a specified grievance concerning an alleged violation of one of the provisions of Paragraphs (152) through (183), such committeeperson may request that the supervisor call the Special Skilled Trades Representative for that shift. Before a grievance is reduced to writing by the District Committeeperson, the Special Skilled Trades Representative may assist the District Committeeperson in a consultative and advisory capacity, and in doing so, if necessary, may make an independent investigation of the grievance and submit a report to the District Committeeperson. The Special Skilled Trades Representative may not function as a committeeperson nor initiate a grievance.

B. If the grievance is reduced to writing by the District Committeeperson and the Special Skilled Trades Representative has made an independent investigation and submitted a report to the District Committeeperson on that grievance before it is reduced to writing, the Special Skilled Trades Representative may, at the request of the District Committeeperson, assist the District Committeeperson in a consultative and advisory capacity during the committeeperson's discussions conducted with supervision pursuant to Paragraph (30)



of the National Agreement. During discussions with higher supervision, the Special Skilled Trades Representative will function as an alternative to the second committeeperson provided for in the provisions of Paragraph (30) of the National Agreement.

C. In those plants where there is no member of the Shop Committee classified as a skilled trades employee, one Special Skilled Trades Representative will attend regular Shop Committee meetings to serve in a consultative and advisory capacity during the resolution of a Paragraph (140b) or Paragraph (141)(a) issue or discussion of a grievance which involves a specific skilled trades issue and which alleges a violation of a local Agreement, or Paragraphs (3), (102) or one of the provisions of Paragraphs (152) through (183) of the National Agreement.

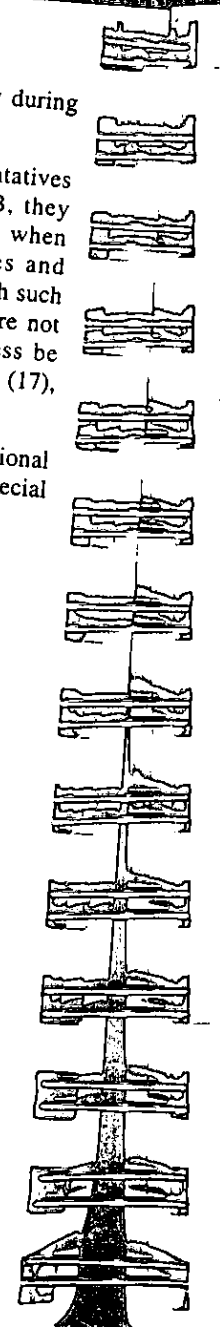
D. In the event there is no committeeperson classified as a skilled trades employee representing skilled trades employees, one Special Skilled Trades Representative will attend the special conference provided for in the provisions of Paragraph (182)(a) of the National Agreement, replacing one of the Union's representatives provided for in that paragraph, to serve in a consultative and advisory capacity during such conference.

E. In the event none of the Local Union representatives designated in Paragraph (183)(d) are skilled trades employees, one Special Skilled Trades Representative will replace one of those representatives during the specified advance discussion and serve in

a consultative and advisory capacity during those discussions.

III. Where Special Skilled Trades Representatives are selected pursuant to Paragraph I-B, they shall work at their regular jobs except when carrying out the representation duties and functions as provided herein. Even though such Special Skilled Trades Representatives are not committeepersons, they will nevertheless be governed by the provisions of Paragraphs (17), (20), and (22) of the National Agreement.

IV. The provisions of Paragraph (21) of the National Agreement will not be applicable to the Special Skilled Trades Representative.



APPENDIX K

MEMORANDUM OF UNDERSTANDING JOB SECURITY (JOBS) PROGRAM

The Corporation and the Union are committed to enhancing the job security of General Motors employees. The Parties also recognize that such job security can only be realized within a work environment which promotes operational effectiveness, continuous improvement and competitiveness.

Accordingly, the parties have agreed to this JOBS Program and have pledged to work together, consistent with this Program and other provisions of the National Agreement to enhance the Corporation's competitive position.

The cornerstone of the JOBS Program is a commitment to pre-determined Secured Employment Levels (SELs), a series of SEL Benchmark Minimums, and protection against indefinite layoff for eligible employees as expressly provided herein.

I. **SCOPE OF THE PROGRAM** - The Corporation and the Union agree that:

(A) The secured employment levels (SELs) (i.e., numbers of eligible employees or positions covered by this Program as defined herein) initially shall be established as of the Effective Date of the Agreement at each bargaining unit for skilled and non-skilled employees will be continued. The transfer of an employee between skilled and non-skilled will cause the SEL for the group receiving the employee to increase and the other group from which the movement occurred to decrease unless the movement occurred to satisfy the SEL, in which case the SEL will remain the same in each group.

(B) The initial Secured Employment Levels for each Unit shall be equal to the sum of: (1) the number of active employees with one or more years seniority at work and on roll in the Unit on the Effective Date; (2) the number of active employees occupying SEL slots in the Unit on the Effective Date; and (3) the number of unfilled new hire obligations in the Unit as of the Effective Date due to the application of the outsourcing/new hire provisions of the 1996-99 Agreement, Appendix K (Article II (O)(2)b.3.). Such active employees will be SEL eligible and shall include employees not at work who are:

(1) on vacation,

(2) receiving bereavement pay,

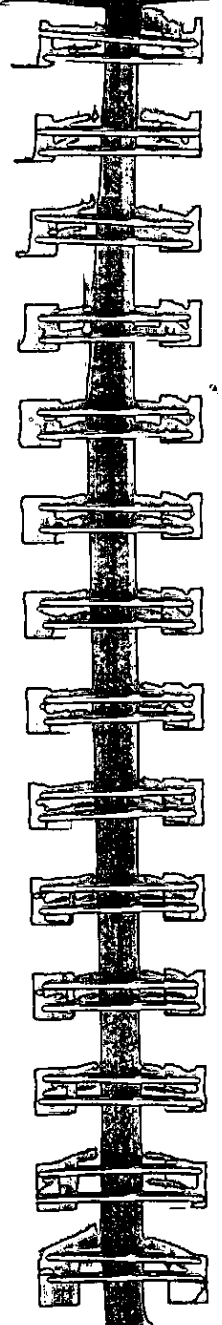
(3) on jury duty,

(4) on any leave of absence of 90 days duration or less,

(5) on temporary layoff, and

(6) any other employee having a direct attachment to the active workforce.

(C) A series of SEL Benchmark Minimums will be established for each Unit on the Effective Date, representing projected SEL-eligible employment minimums as of the close of each calendar quarter beginning with the quarter ending December 31, 2003 through the quarter ending June 30, 2007. Each quarterly Benchmark shall be determined by subtracting from the immediately preceding SEL Benchmark an amount equal to .333% of the Unit's Initial SEL, so that the June 30,



2007 Benchmark shall equal 90% of the initial SEL. (If this calculation results in something other than a whole number, sequential rounding adjustments may be made to even out the calculations over the term of the Agreement.)

(D) No employee will be laid off for any reason, other than described in I(E), if such layoff would cause the number of active employees in the unit to fall below the then current SEL or otherwise result in the layoff of one or more SEL eligible employees.

(E) Paragraph I(D) notwithstanding, an employee protected from layoff by the SEL may be laid off for any of the following reasons:

(1) volume related declines attributable to market related conditions as described in Document No. 10, JOBS Program - Volume Related Layoffs - SEL, not to exceed 48 weeks (inclusive of vacation shutdown weeks) over the life of the Agreement;

(2) acts of God or other such reasons beyond the control of the Corporation;

(3) the sale of a part of the Corporation's operations as an ongoing business;

(4) the layoff of an employee recalled or reassigned to fill an opening known in advance to be temporary; or

(5) model change or plant rearrangement until the employee otherwise would have been recalled.

An employee impacted by any of the above reasons is, if otherwise eligible, covered by the appropriate Supplemental Agreements which are attached to the National Agreement as Exhibits.

(F) The number of employees protected by this JOBS Program will be the equivalent of the employees within the SEL who would otherwise have been laid off as a result of any event other than those described in Paragraph I(E).

II. **ADJUSTMENTS TO THE SEL AND SEL ELIGIBILITY** - Following the initial determination of the SEL, it will be adjusted as follows:

(A) An employee shall become SEL-eligible for any of the following reasons at which point the SEL will be increased by one position for each such employee: (1) an employee in the active workforce, as defined by Paragraph I(B) who had less than one year seniority on the Effective Date of the Agreement who subsequently attains one year of seniority; (2) an employee with one or more years seniority is recalled, except if recalled to satisfy the SEL, and is actively at work, on vacation or receives pay in at least 26 weeks during any consecutive 52-week period ending after the effective date of the Agreement; (3) an employee with less than one years seniority is recalled, except if recalled to satisfy the SEL, who subsequently attains one years seniority and is actively at work, on vacation or receives pay in at least 26 weeks during any consecutive 52-week period ending after the

effective date of the Agreement; (4) an employee rehired pursuant to Paragraph (64)(e), except if rehired to satisfy a SEL, who subsequently attains one years seniority and is actively at work, on vacation or receives pay in at least 26 weeks during any consecutive 52-week period ending after the effective date of the Agreement; (5) an employee newly hired after the effective date of the Agreement who attains three years seniority; (6) an employee deemed to be eligible, recalled or newly hired in order to satisfy a SEL Benchmark Minimum. Notwithstanding the above, the National JOBS Committee is authorized to establish special mechanisms, including SEL eligibility provisions, for the purpose of attracting new work.

(B) The SEL will be reduced for the attrition of eligible employees who quit, retire, or die.

(C) Unit SELs will be adjusted in the event of transfers of operations or consolidations between Units. The Unit SEL will be decreased by one at the transferring location and increased by one at the receiving location by the corresponding number of employees who transfer, unless otherwise agreed to by the National parties. Similarly, corresponding adjustments will also be made to the SEL Benchmark Minimums of each affected unit.

(D) Each employee who leaves the bargaining unit for a permanent salaried position will be replaced immediately with no effect on the SEL by recalling an employee from layoff or from the Area Hire List, or by hiring a new

employee if no such laid off employee is available. For each regular salaried employee returning to the bargaining unit, the SEL will be increased by one.

(E) SEL eligible employees off roll will maintain their eligibility upon reinstatement.

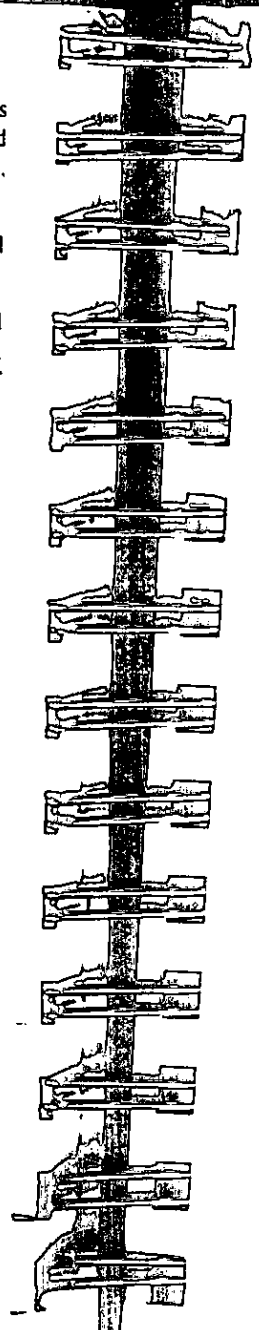
(F) (1) Following the last day of each month and within 15 days of the following month (SEL Benchmark Review), the number of SEL-eligible employees in each Unit shall be compared to the Unit's corresponding SEL Benchmark Minimum. Adjustments will be made consistent with the provisions of this Memorandum, and attrition replacement obligations will be fulfilled as set forth below.

(2) When the number of SEL-eligible employees exceeds the Benchmark Minimum, attrition will be replaced on a one-for-two basis by recalling employees on layoff in accordance with the procedure described in Section (3)(b) below.

(3) When the number of SEL-eligible employees would otherwise fall below the Benchmark Minimum, attrition will be replaced on a one-for-one basis by the following actions in order to maintain eligible employment at the Benchmark Minimum:

(a) First, by allowing an ineligible active seniority employee at the affected facility to become eligible.

(b) Second, by recalling a seniority employee from layoff from the



facility, or rehiring an employee with a Paragraph (64)(e) rehire right, or from the Area Hire list.

(c) Or third, by hiring new employees up to the net number of jobs outsourced minus those insourced (as defined in Appendix L of the Agreement and determined by the National Committee) subsequent to the Effective Date. Such positions will be filled on a Unit basis no later than ninety (90) days following the SEL Benchmark Review, except when the affected Unit is encountering market-driven, volume-related layoffs.

(4) Notwithstanding the above, the net outsourcing/new hire obligation provided in Section (3)(c) above shall be activated earlier than required therein if and when the number of SEL-eligible employees is less than the greater of: (1) the SEL Benchmark Minimum for the quarter; or (2) 95% of the Unit's Baseline SEL under the 1996 Agreement.

(5) If, after fulfilling the above requirements, subsequent attritions would cause the number of SEL-eligible employees to fall below the Unit's Benchmark Minimum, attrition will be replaced on the following basis:

(a) When the number of SEL-eligible employees is greater than 90% but less than 100% of the Benchmark Minimum, one (1) new employee will be hired for each three (3) attritions.

(b) When the number of SEL-eligible employees is greater than 80% but less than 90% of the Benchmark Minimum, one (1) new employee will be hired for each two (2) attritions.

(c) When the number of SEL-eligible employees is below 80% of the Benchmark Minimum, one (1) new employee will be hired for each one (1) attrition.

(d) Such positions will be filled on a Unit basis no later than ninety (90) days following the SEL Benchmark Review, except when the affected unit is encountering market-driven, volume-related layoffs.

(6) Employees recalled, hired, or rehired to fulfill the above obligations may be assigned within their Unit at Management's discretion, subject to applicable seniority provisions of the Agreement.

(G) If on the evaluation date the SEL number results in less than a whole number, the Engineering Method of Rounding will be used to determine the SEL.

(H) Notwithstanding the above, SEL Benchmark Minimums will not be established for a facility determined to be closing.

III. **JOB SECURITY AND OPERATIONAL EFFECTIVENESS** - In recognition of the fact that job security can only result from joint efforts to improve operational effectiveness, the Corporation and the Union agree that:

(A) For a period commencing with the Effective Date of this Memorandum of Understanding and for the life of the current Agreement, no employee within the SEL will be laid off as a result of any event other than those described in Paragraph I(E).

(B) An employee whose regular job is eliminated will be placed pursuant to the applicable provisions of the National Agreement and Local Seniority Agreement.

(C) The number of employees protected from layoff due to the JOBS Program will be that determined in Paragraph I(F). Each Protected employee will be identified by application of the Local Seniority Agreement provisions as if such job security were not provided.

(D) If an event, other than those described in I(E), would otherwise cause the number of active employees in a unit to fall below the then current SEL, the employees so protected, as provided for in I(D), will be placed on Protected employee status. The Parties recognize that events, other than those described in I(E), may occur during the course of this Agreement that will cause the number of SEL eligible employees to exceed the Corporation's production requirements. The parties further recognize that the scope of this program requires flexibility with regard to the assignment of such Protected employees and the selection of employees for training. In this regard, the Local JOBS Committee (described in Section IV, below) will insure that assignments are made on a basis consistent with the seniority provisions

of the Collective Bargaining Agreement and Local Seniority Agreement while meeting plant needs, minimizing work force disruption and enhancing the personal growth and development of employees. After a decision by the Local JOBS Committee a Protected employee may be (1) placed in a training program, (2) used as a replacement to facilitate the training of another employee, (3) placed in a job opening at another GM plant provided there is no employee on layoff from that plant with a seniority recall or Paragraph (64)(e) rehire right or an Area Hire applicant who has not been offered a job at that plant, (4) given a job assignment within or outside the bargaining unit which may be non-traditional, (5) placed in an existing opening or (6) given other assignments consistent with the purposes of this Memorandum of Understanding.

(E) (1) Notwithstanding the above, an available Protected employee may be placed on the Area Hire list by Management for selection to an available opening at another location within the area. The number of such Protected employees made available for placement cannot exceed the number of Protected employees who have been laid off for the duration of the 48 week volume-related layoff limit (inclusive of vacation shutdown weeks). Protected employees will be made available for Area Hire placement in inverse seniority order.

(2) A location that has no one on layoff with a seniority recall or Paragraph (64)(e) rehire right may fill a job opening with an

available Protected employee from another location within the Area Hire Area pursuant to Paragraphs M (1) and (2), or an Area Hire applicant who has not been offered a job in the Area Hire Area.

The SEL will be reduced by one at the plant from which the employee is transferred and increased by one at the plant to which the employee is transferred, unless the transfer satisfied the SEL, in which case the SEL will remain the same at both plants.

An available Protected employee transferred permanently to another location may remain at the secondary location until at the employee's home location (1) there is an available opening in the regular active workforce to which the employee is entitled, or (2) the employee is recalled to Protected employee status, or (3) the employee is laid off from the secondary plant, at which time the employee will return, seniority permitting, to the active workforce.

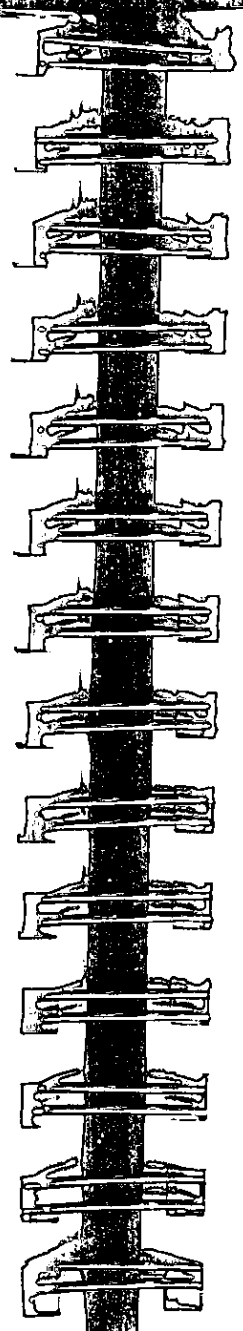
(F) Efforts of the local parties to improve operational effectiveness will be encouraged and supported by the national parties including, as may be appropriate, approval of requests to waive, modify or change the National Agreement.

(G) A Protected employee will continue to receive their regular straight time hourly rate of pay. In the event a Protected employee is assigned to another classification, the employee will receive the rate of pay as provided by the Local Wage Agreement.

(H) Protected employees' assignments will be considered temporary and not subject to provisions governing permanent filling of vacancies or the application of shift preference, except for assignments to fill openings resulting from volume increases. Experience gained from these temporary assignments will not be used to advantage such Protected employee over other employees for selection to fill permanent vacancies, nor will the Protected employee gain seniority under Paragraph (62) of the National Agreement from such assignments.

(I) An employee replaced by a Protected employee will receive their regular straight time hourly rate of pay, and will be returned to the same classification and job assignment upon completion of the replaced employee's assignment. In the event the employee has insufficient seniority to return to the formerly held classification, the employee will be placed pursuant to the applicable provisions of the Local Seniority Agreement.

(J) If an employee would have been transferred pursuant to Paragraphs (63)(a)(1), (63)(a)(2), (63)(b) or (153) of the National Agreement or placed in an Apprentice program were it not for participation in a training assignment provided by this program, the employee will be transferred to this classification upon completion of the training assignment. In the event the employee would have been selected for an E.I.T. or Apprentice assignment the employee's date of entry will be adjusted as if the employee's assignment had not been delayed.



(K) A replaced employee returned to a job assignment under this Program will be credited with all overtime hours the employee worked while out of the equalization group, but not with the overtime hours the employee would otherwise have worked in the group had the employee not have been replaced by the Protected employee.

(L) A training assignment will be voluntary on the part of an employee being replaced by a Protected employee, unless such training is to develop or improve technical skills relevant to the employee's current job assignment or anticipated future job needs.

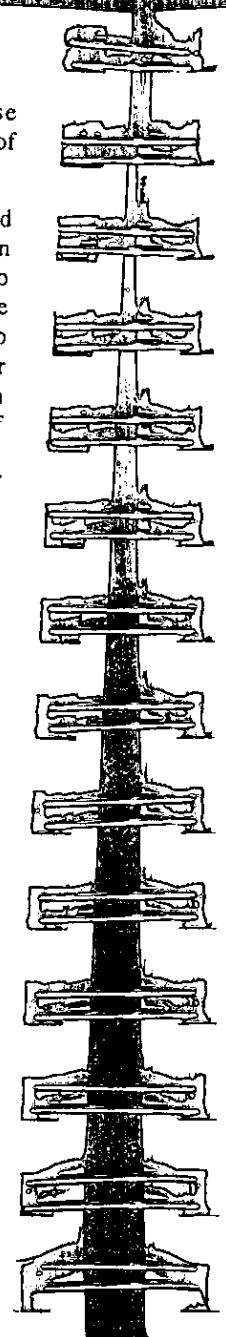
(M) No Protected employee will be temporarily assigned to a job outside of the bargaining unit except on a voluntary basis, subject to the direction of the National Committee. Permanent transfers of Protected employees outside the bargaining unit to other GM-UAW represented plants within the Area Hire Area will be handled as follows:

(1) Management may place a Protected employee's name on the Area Hire list. The number of names so placed may not exceed the number of employees who have been laid off for the duration of the 48 week volume-related layoff limit (inclusive of vacation shutdown). Protected employees will be made available for Area Hire placement in inverse seniority order. Thereafter, such employees may be selected in seniority order to available jobs at other locations. The seniority used by a skilled trades

employee in administering these provisions will be the employee's date of entry or Journeyman/woman date.

(2) A Protected employee who is transferred permanently out of the Area Hire Area in accordance with this paragraph, or if so transferred later accepts a recall or rehire at a former location, will be eligible to receive a relocation allowance and other relocation services as provided in Paragraphs (96a) (1), (2), (3), and (4), of the National Agreement. A Protected employee temporarily transferred out of the Area Hire Area who does not change permanent residence as a result of the transfer will receive reasonable transportation and living expenses for the duration of the assignment. Any problems connected with the above may be raised with the National Committee.

(N) In the event there is an opening due to a volume increase, the available Protected employee with the highest seniority will be placed in this opening, unless the Local Committee determines the employee should first complete the employee's current assignment. If seniority employees are on layoff from that plant, a number of such employees, equivalent to the number of Protected employees placed in openings due to volume increases will be recalled from layoff. A Protected employee transferred to another GM plant due to a volume increase who is subsequently laid off from the secondary plant due to a volume decrease will be returned to available openings at the employee's home plant, seniority permitting.



(O) A layoff caused by an event described in Paragraph I(E) will have no impact on the number of Protected employees except for an employee who is protected from a layoff attributable to a market related volume decline in excess of 48 weeks (inclusive of vacation shutdown weeks). In those instances, Protected employees, having the least seniority, will be laid-off and replaced by an equivalent number of greater seniority employees who would otherwise have insufficient seniority to remain in the plant.

(P) In the event the Local or National Committee determines that the number of Protected employees exceeds the number of expected openings at the plant or in the Area within the next succeeding 12 months, special programs as set forth in Attachment A may be triggered upon prior approval of the National Committee. Thereafter, to the extent the number of Protected employees is still in excess of expected openings, such employees, under the direction of the National Committee, may be transferred out of the area pursuant to Paragraph (M). The National Committee may also explore the extension of Attachment A to other locations to create job opportunities for excess Protected employees within the Area Hire area.

(Q) Earnings, including wages and wage related payments, received by employees while on Protected employee assignments, will be charged against the maximum liability amount. The cost of benefits and other payments made or incurred on behalf of Protected employees, specifically, health care

(including dental and vision), group insurance, pensions, legal services, training fund contributions, and FICA will be charged against the maximum liability amount. Moving allowance payments and the cost of benefits provided under Attachment A of this Memorandum of Understanding will not be charged against this liability. Earnings received and the cost of benefits and other payments made on behalf of Protected employees while assigned to fill permanent job openings resulting from volume increases or assigned to other regular and productive work (e.g., absentee replacements) will not be charged against this liability.

(R) Charges against the Corporation's liability will commence with the first payments made to Protected employees and will continue until the maximum liability is reached or the expiration of the Program as provided in this Memorandum of Understanding, whichever occurs first. The records of such charges will be maintained by the Corporation and will be available to the Union at appropriate times.

IV. **ADMINISTRATION OF THE JOBS PROGRAM** - The Corporation and Union agree that:

(A) At each bargaining unit covered by the current GM-UAW National Agreement, a Local JOBS Committee will be established to administer the Program.

(B) The membership of the Committee will consist of the local Plant Manager, and other representatives selected by management; the local Union President, if a General Motors employee, and the Shop Committee.

(C) The duties of the Local Committee will be:

(1) Review local accessions and separations relative to the Unit Secured Employment Level (SEL) and the number of Protected employees.

(2) Review the number and status of the available Protected employees on a monthly basis, specifically noting the impact on this group of attrition, volume and future manpower requirements.

(3) Monitor the initial placement of an employee who is within the SEL and who returns to work following an event covered in Paragraphs I(B) and I(E).

(4) Monitor the placement of Protected employees. In this regard consideration should be given to both the nature and duration of the assignment following the guidelines contained in Section III of this Memorandum of Understanding. Coordinate with the National Committee the placement of an employee outside the Area Hire as defined in Appendix A Memorandum of Understanding Employee Placement.

(5) Monitor permanent layoffs caused by the events described in I(E).

(6) Participate in discussions regarding sourcing decisions as outlined in Appendix L of the current GM-UAW National Agreement on the subject of Sourcing.

(7) Participate in discussions regarding the introduction of new or advanced

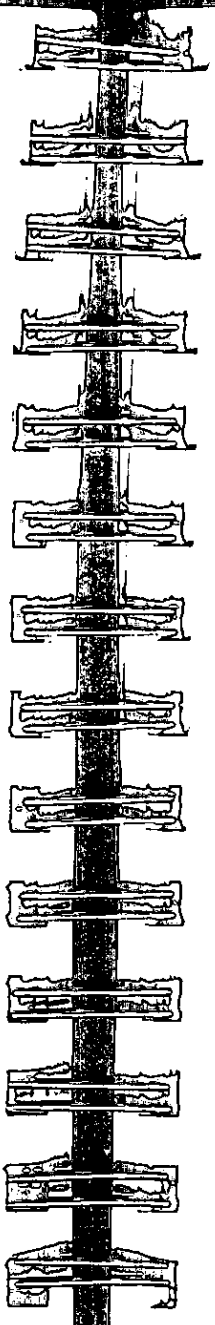
technology as provided in the Statement on Technological Progress contained in the current GM-UAW National Agreement.

(8) Review attrition and changes in the workplace. As required, develop plans to replace attrition, including the use of hires or rehires, to meet operational needs when other appropriate placement sources have been exhausted. Consistent with guidelines regarding SEL Program Administration, the local parties are required to report monthly that appropriate communications have taken place; upon the request of the National Committee, the local parties may be required to provide detailed information to support their monthly joint reports.

(9) Review the manpower requirements of forward product, facility and business plans, maintaining the confidentiality of the material being evaluated.

(10) Plan and coordinate the assignment of Protected employees in their home plant, the relocation of Protected employees to other plants in the area and the application of special programs to Protected employees and active work force employees as described in Attachment A to this Memorandum of Understanding.

(11) Authorize non-traditional work assignments for Protected employees where practicable both within or outside the bargaining unit.



(12) Review any complaint regarding the administration of the JOBS Program. Refer unresolved complaints to the National Committee. The National Parties will limit the review of complaints to those raised, in writing, within 60 days of a SEL Benchmark Review or other event giving rise to the complaint unless the time limit is waived by the National Committee. Only those matters governing the size of the SEL-eligible population, the number of Protected employees, the SEL; or the treatment of a Protected employee as set forth in Section III of this Memorandum of Understanding will be subject to the Grievance Procedure. Such grievances will be filed at the Second Step of the grievance procedure. All other unresolved complaints will be settled expeditiously between the parties at the National level.

Disputes arising from the following matters may be submitted within fifteen (15) days of a SEL Benchmark Review to the Vice President and Director of the UAW General Motors Department and the Group Vice President, Manufacturing & Labor Relations, General Motors Corporation: (1) market-driven, volume-related layoffs; and (2) new hire obligations required pursuant to Section II(F). If unresolved, the dispute must be appealed to the Umpire within thirty (30) days of receipt of the appeal. The Umpire's decision shall be final and binding on the parties, and the Umpire shall have the authority to enforce such decision, including the authority to order the Corporation to hire new employees required under Section II(F).

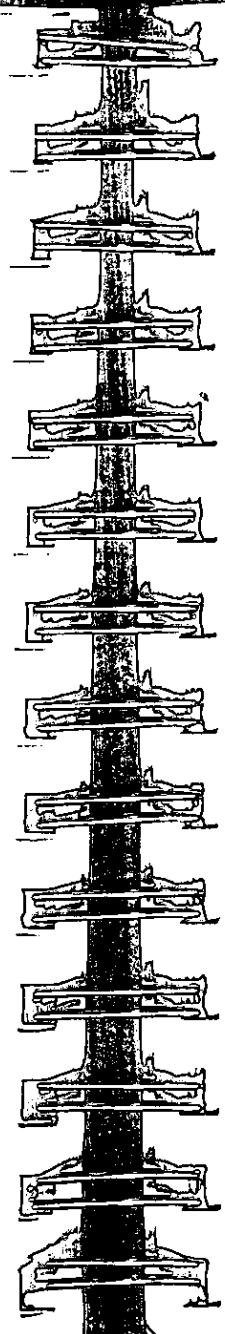
(13) Jointly coordinate appropriate local training activities, working closely with the Local Joint Activities Committee and the UAW-GM Center for Human Resources National Office to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within GM and from external sources.

(14) Jointly develop and initiate proposals to improve operational effectiveness to secure existing jobs, and to attract customers and additional business thus providing additional job opportunities. When required, secure necessary approvals from the bargaining unit membership and the national parties.

(15) Make recommendations to the National JOBS Committees, as appropriate, regarding any aspect of the JOBS Program. This may include any aspect of the contractual relationship between the Corporation and the Union that is relevant to the duties of the Local JOBS Committee; e.g., Appendix A, Appendix L, and Paragraphs (59), (69), (95) and (96) of the current GM-UAW National Agreement.

(16) Ensure that SEL funds are used solely for the purposes for which the Program provides protections, as specified in Section I (C) of this Memorandum of Understanding.

(D) A National JOBS Committee will be established at the Corporation-International Union level consisting of three (3)



representatives selected from the Corporation and three (3) representatives selected by the Vice President and Director of the GM Department of the International Union, UAW.

(E) The National Committee will be responsible to the Executive Board-Joint Activities and will meet periodically as required to:

(1) Monitor the efforts of the Local Committees.

(2) Maintain liaison with the Joint Skill Development and Training Committee to coordinate: (a) placement efforts for protected employees, (b) assessment and training programs and (c) funding through the Joint Skill Development and Training Committee.

(3) Approve Local Committee efforts to improve operational effectiveness and coordinate these actions when appropriate.

(4) Coordinate, where applicable, the execution of Special Programs described in Attachment A as well as the placement of Protected employees. For example, where a permanent loss of jobs has occurred or is scheduled for a location, the parties may discuss transfer of employees to another location; such a transfer could be in advance of the scheduled job loss, if it could be accomplished without adversely affecting quality and operating efficiency.

(5) Act on requests from Local Committees to waive, modify or change National Agreement provisions when such action would result in the preservation or increase of job opportunities. Such requests will be presented to the Executive Board - Joint Activities for approval and will be countersigned by the Vice President and Director of the GM Department of the International Union, UAW and the Group Vice President, Manufacturing & Labor Relations, General Motors Corporation.

(6) Make quarterly reports to the Executive Board-Joint Activities and periodically to Union and Corporate leadership regarding the operation of the Program.

(F) The National JOBS Committee is specifically empowered to periodically review and evaluate the operation of this Memorandum of Understanding and make mutually satisfactory adjustments to its provisions during the term of this Memorandum.

V. **FUNDING** - The Corporation and International Union agree that:

Notwithstanding the commitments set forth in this Memorandum of Understanding, the Corporation's total financial liability for the cost of the JOBS Program, to be calculated as agreed between the parties, shall not exceed $2.107 billion during the term of this Memorandum of Understanding, adjusted by any amounts shifted between the JOBS and SUB funds. In the event this liability is reached, Protected employees will be subject to layoff. Thereafter, to the extent that layoffs of such employees are required, the provisions of the Local Seniority Agreements will apply and eligible

employees will receive benefit treatment in accordance with the Supplemental Agreements attached to the GM-UAW National Agreement then in effect.

VI. **EFFECTIVE DATE** - TERMINATION DATE
The Corporation and International Union agree that:

(A) This Memorandum of Understanding will become effective at each bargaining unit covered by the current GM-UAW National Agreement, on the Effective Date of this Agreement.

(B) This Memorandum of Understanding shall expire with the expiration of the current National Agreement.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Henderson Slaughter	Dean W. Munger
Joe Spring	Leon P. Cornelius
Scott Campbell	W. Gary Bryant
	Jennie F. Spring

[See Par. (33),(65),(66)(a),(153)]
[See Doc. 10,12,15]
[See Statement on Technological Progress]

Appendix K

ATTACHMENT A
MEMORANDUM OF UNDERSTANDING

The National JOBS Committee may, from time to time and for specified periods, authorize the following Special Programs for designated eligible employees or may approve requests from Local JOBS Committees for implementation of such Programs. Employees must apply within the application period determined by the local parties and approved by the National JOBS Committee.

SPECIAL PROGRAM #1
JOBS VOLUNTARY TERMINATION OF EMPLOYMENT PROGRAM

The JOBS Voluntary Termination of Employment Program (VTEP) provides a guaranteed lump-sum benefit payment subject to the conditions and limitations contained herein. This Program is applicable to an employee with at least one year of seniority who is at work or is a Protected employee on or after the effective date of the Agreement.

Description of Program Benefits

Years of Seniority As of Application Date		$ Amount	Allocation Period (Months)
1 but less than	2	15,000	6
2 but less than	5	21,000	9
5 but less than	10	37,000	15
10 but less than	15	47,000	19
15 but less than	20	62,000	25
20 but less than	25	67,000	27
25		72,000	29

The maximum gross amount of the benefit payable under this Program is $72,000 for employees with 25 or more years of seniority.

In no event, however, shall the amount of a VTEP payment provided under this Program exceed such amount permissible under the Employee Retirement Income Security Act of 1974 (ERISA).

An employee who accepts a VTEP payment shall be provided with basic health care coverage for a period of 6 months dating from the end of the month following the month in which the employee last worked.

An employee eligible for an immediate pension benefit under the Hourly Rate Employees Pension Plan, at the time of his/her break in service (due to participation in a VTEP), shall upon completion of the Allocation Period and application for a pension benefit under the Hourly Rate Employees Pension Plan become eligible for post retirement health care and life insurance on the same basis as other retirees. For purposes of applying the terms of the Hourly Rate Employees Pension Plan, such employees shall not be treated as deferred vested by reason of their participation in a VTEP.

VTEP Payment Offsets

Any VTEP payment to an eligible employee will be reduced by the employee's outstanding debts to the Corporation or to the Trustees of any Corporation benefit plan or program, including any unrepaid overpayments to the employee under the SUB Plan or GIS Program, Exhibits D and E, respectively, to the Collective Bargaining Agreement.

Effect of Receiving VTEP Payment

An employee who accepts a VTEP payment shall (i) cease to be an employee and shall have his/her seniority broken at any and all of the Corporation's Plants or other locations as of the last day worked subsequent to

the date his/her application for a VTEP payment is received (termination date), (ii) shall have cancelled any eligibility the employee would otherwise have had for a Separation Payment and/or Redemption Payment under Exhibits D-1 and E-1, respectively, to the Collective Bargaining Agreement, (iii) shall not be eligible to receive a mutual satisfactory retirement benefit under the Hourly Rate Employees Pension Plan, and (iv) shall not be permitted to retire under the Hourly Rate Employees Pension Plan for the number of months of the allocation period following the termination date.

An employee who receives a VTEP payment, and who is subsequently reemployed by General Motors, will not be eligible for any future VTEP payments until the employee has 5 or more years seniority following such reemployment. No seniority used to determine the amount of a previous VTEP payment shall be used in determining a subsequent VTEP payment.

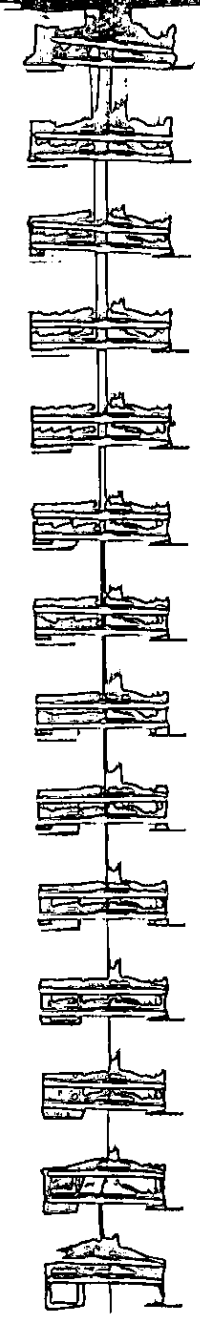
SPECIAL PROGRAM #2
JOBS PENSION PROGRAM

General

The JOBS Pension Program provides pension benefits unreduced for age, payable under the Hourly-Rate Employees Pension Plan (Exhibit A to the Collective Bargaining Agreement) subject to the eligibility terms and conditions contained in such Pension Plan, and further subject to such terms and conditions contained herein. This Program is applicable to employees who are at work or is a Protected employee, on or after the effective date of the Agreement.

Description of Program Benefit

An offer of Mutually Satisfactory retirement may be extended under this JOBS Pension Program to an



eligible employee between the ages of 55 and 61 who has 10 or more years of credited service under the Hourly-Rate Employees Pension Plan. Such retirement would provide unreduced basic benefits for the life of the retiree, temporary benefits payable until age 62 and one month (or if earlier, receipt of Social Security disability benefits), and any supplements they may be entitled to based on the provisions of the Hourly-Rate Employees Pension Plan and the employees' age and credited service. The annual earnings limitation provisions of the supplements shall not be applicable to any mutually satisfactory retirement.

[See Doc. 10,12,117]

Appendix K

ATTACHMENT B
MEMORANDUM OF UNDERSTANDING

GOALS AND OBJECTIVES OF JOB SECURITY AND OPERATIONAL EFFECTIVENESS

The Corporation and the Union recognize that quality and operating efficiency are inextricably wed to job security, and that a high level of quality and operating efficiency requires mutual respect and recognition of each other's problems and concerns. Accordingly, in addition to the Local JOBS Committee's responsibilities for the JOBS Program and participation in discussions provided in related Letters of Understanding, each committee will focus on cooperative efforts toward our common goal to improve the effectiveness of operations and remove barriers to improvements, increase job opportunities and fully utilize the workforce. The local committees will jointly develop a plan through an exhaustive analysis of the location's operational efficiency.

Within six months of the effective date of the Agreement, each Local JOBS Committee will review with Divisional/Group Management and the International Union the overall competitiveness of the location's products and their plans indicating actions, and/or changes needed to improve quality and efficiency at their location and to stimulate job security of the existing workforce and attract new work. Such plans must then be approved by the established National Job Security and Operational Effectiveness Committee.

At the national level, the Committee will have an equal number of Union and Corporate representatives designated by the General Motors Group Vice President - Labor Relations and by the Vice President and Director of the GM Department, International Union, UAW.

The National Committee will oversee implementation and administration of these Job Security and Operational Effectiveness Plans. Members of the National Committee will meet jointly with Local Committees to discuss the importance of job preservation and job creation, the reasons for the commitment to increase operational efficiency, suggest possible topics for consideration, and encourage good-faith efforts to develop and implement meaningful local plans.

The National Committee will be available on an ongoing basis as a resource to Local Committees and will review progress at the local level at least on an annual basis.

In these efforts, it is recognized that a great deal of initiative and imagination will be required by the local parties. While not intended to limit such innovation, the following are examples of appropriate areas the local parties may address:

1) identification of investments in the facility or equipment necessary to improve product quality or operational effectiveness;

2) the establishment of a team concept and/or pay-for-knowledge wage structure;

3) the identification of non-labor cost savings and efficiencies;

4) procedures and plans to review past outsourcing and outside contracting decisions, and identify opportunities for insourcing and new business;

5) the examination of new forms of work organization, such as job assignments relating to Just-in-Time or other quality enhancement systems;

6) procedures to review supervisory staffing and support for the initiatives in this Job Security and Operational Effectiveness section of the JOBS Program;

7) a realignment in skilled classifications to a number of appropriate basic trades to support the needs of the operation or location;

8) the implementation of skilled trades team concepts;

9) initiatives to reduce chronic absenteeism;

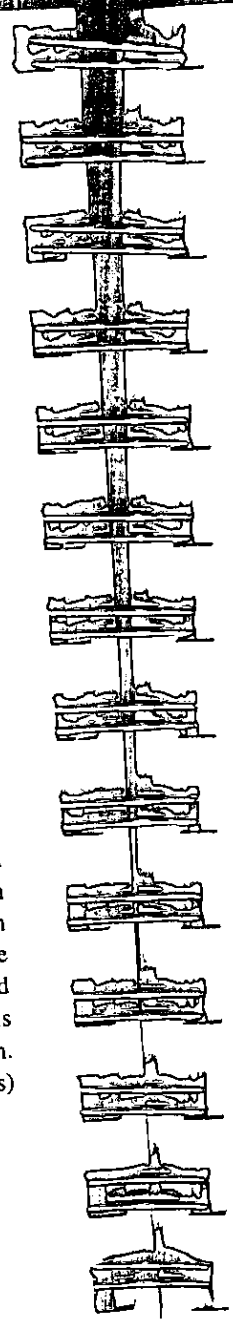
10) procedures for improved access by the Local Joint Committee to product plans and other information affecting employment security and operational effectiveness, assuring confidential treatment of such information;

11) the establishment of work standards on operations that fully utilize employees;

12) the examination of alternative work schedules which provide greater employment opportunities.

Efforts of the local parties to improve operational effectiveness may require change or waiver of certain agreements or practices. It is understood that any such waivers, modifications or changes would not be effective unless agreed to by the local parties involved and approved in writing by the GM Labor Relations Staff and the General Motors Department of the Union. Such changes would be effective only at the location(s) specifically designated.

[See Par. (82)]
[See CSA #11]



APPENDIX L

SOURCING

During these negotiations, the Union raised numerous concerns about the Corporation's sourcing actions and the impact on employment opportunities. To that end, the Corporation will work with and assist the Union at both the Local and International levels to preserve jobs, replace jobs which may be lost by outsourcing action and to create jobs for Protected employees and laid off employees. It is an objective of the Corporation to grow the business and to continue to rely upon its employees and facilities as the source of its products. During the life of the current Agreement, the Corporation will advise, in writing, the Union members of the Sourcing Committee of the Labor Policy Board meeting results relative to sourcing recommendations, including the number of potential jobs affected. Additionally, data regarding incoming and outgoing work will be given to the International Union in a quarterly meeting. (The Corporation will provide inquiry access to the International Union through the use of a computer terminal.) In this manner, the parties can judge the success of mutual efforts toward improved job security. The Corporation agrees to incorporate the procedures and structure outlined herein when making sourcing determinations during the current Agreement.

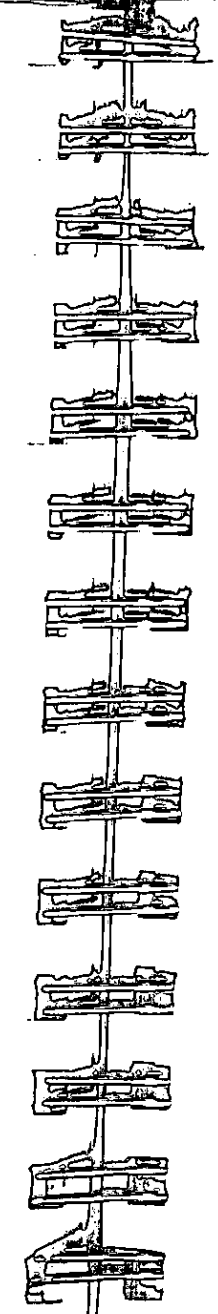
The rationale for sourcing actions will consider the criteria of quality, technology, cost, timing, statutory requirements, occupational and related environmental health and safety issues, the impact on long-term job stability, the degree to which the Corporation's resources can be allocated to further capital expenditures, the overall financial stability of affected facilities, and the impact on related facilities. Other factors considered by the Corporation before a final sourcing decision is made will include the effect on

employment, and job and income security costs, on both a short and long-term basis. Such criteria shall give equal weight to the full impact of a sourcing action on General Motors-UAW represented employment levels and the job and income security of General Motors-UAW represented employees. The National Parties will jointly further develop the above criteria to be used to address sourcing issues. In developing this criteria transfer pricing profits will not be considered in making sourcing decisions. Only appropriate return on investment and burden will be considered.

Following the development of the sourcing criteria, the National Sourcing Committee may form Joint Task Forces to ensure full implementation of such criteria throughout the Corporation and, on an as needed basis, to address any specific sourcing areas of concern identified by the Union. Pertinent criteria will be applied consistently in comparisons of internal and external supply capability. The International Union and where appropriate the local union will be provided full and timely access to all appropriate data, including financial information, that is pertinent to evaluate product competitiveness and contemplated sourcing. The Union agrees to keep all such information confidential until the Corporation consents to its release. Further, in this regard, the plant Chairperson will designate in writing those Union representatives who will have access to the quote package and related information.

If the Local Committee cannot resolve a sourcing issue, it may file a grievance at the second step of the grievance procedure.

In addition, the following specific commitments have been made to address sourcing-related job security concerns of UAW members:



1. Insourcing

The Local JOBS Committee will discuss the practicality of insourcing, in whole or in part, work previously outsourced or new work which the Committee identifies as that which might be performed competitively within the location based on the criteria outlined above. To assist in this process, the International Union will be furnished a complete master file of commodities which will be used to generate a list of parts similar to those currently manufactured at the location that have been (1) outsourced from that location or (2) are currently manufactured by non-GM/UAW suppliers for General Motors. This list will be updated and expanded to include supplier expiration dates, supplier location (city and state), annual volume, and Union affiliation if known and will be furnished quarterly or as otherwise agreed by the National Parties. Thereafter, the parties will initiate efforts to insource particular work consistent with the aforementioned criteria to create prospects for growth and to provide jobs for Protected employees and employees on layoff.

If it is established that certain work can be performed competitively judged by the above criteria, management will adopt the Committee's proposal and barring unique or unforeseen circumstances, bring the work in-house. The Union shall thereafter obtain any necessary approval or ratification within 30 days of the decision to bring the work in-house.

Upon the National Sourcing Committee receiving written verification from the local JOBS Committee, insourcing credit will be given when:

- Work previously outsourced (as documented in the sourcing database) is subsequently insourced and the local JOBS Committee verifies the actual employee impact on the plant floor; or

Work currently performed by an outside supplier that has never been produced inside the Corporation is subsequently insourced and the local JOBS Committee verifies actual manpower impact on the plant floor.

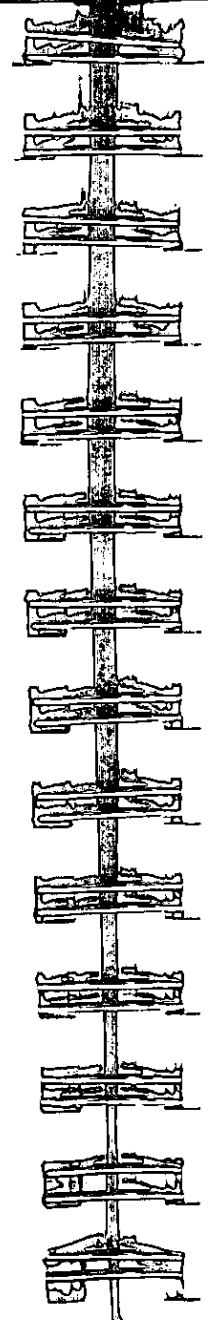
As an insourcing incentive, any work not covered in the two preceding paragraphs, which the Corporation contemplates producing in a UAW-represented location(s) and for which it desires insourcing credit, will be considered for such credit by the National Sourcing Committee, upon request from the local parties.

The National Parties recognize the importance of the local JOBS Committee reviewing the insourced jobs on the plant floor for accurate employee verification relative to insourcing notices.

2. Outsourcing

Outsourcing as used herein means the Corporation's sourcing of work from GM/UAW locations, including work connected with current, new or redesigned vehicles, fabricated parts, powertrain, and component products.

When the quoting process begins, the local Union at the affected location(s) will review and have access to the entire request for quotation package for this work along with cost book information. Upon receipt of this package at the plant, the Chairperson and the Personnel Director will indicate on the accompanying notice (Notice of Potential Outsourcing) that the information has been received. This notice will include a description of the work involved and will be mailed to the Vice President and Director of the General Motors Department of the UAW, and the Group Vice President - Labor Relations, North American Operations.



Following receipt of the request for quotation package (or in the infrequent instances where a quote package is not utilized), the local parties will have the opportunity to jointly develop a plan to perform the work competitively, judged by the criteria listed earlier in this Appendix. The local Union will be provided full and timely access to all appropriate data, including financial information that is pertinent to evaluate product competitiveness and the potential sourcing action. Prior to submission of the initial quote response, the information contained therein will be reviewed by the local parties.

At the close of the quoting process, the local parties will be advised in writing of the most favorable quote response which best meets customer requirements and the terms and conditions contained therein. If this quote response is other than the one submitted by the affected location(s), a written notice will be issued to the Chairperson which includes the reason for the potential outsourcing, the quote price from the affected location, if applicable, the terms and conditions of the most favorable quote response, the potential jobs impact, and the anticipated impact date. Thereafter, the local parties will be given an additional 30 days, or longer when possible, to meet the terms and conditions of the quote response referenced above. A copy of this notice will be sent to the Group Vice President - Labor Relations, North American Operations, and the Vice President and Director of the General Motors Department of the UAW.

If it is established that the work can be performed competitively, judged by the criteria listed earlier in this Appendix, Management will, barring unique and unforeseen circumstances, keep the work in-house. The Union shall thereafter obtain any necessary approvals or ratification within 30 days of the decision to keep the work in-house.

The sourcing authority will not enter into a contractual relationship with a non-GM-UAW supplier until such time as the designated management representative of the impacted location provides written verification that the above notification procedure and discussion by the JOBS Committee, has taken place.

Additionally, International Union input will be sought by the Corporation and its Groups and Divisions as early as possible in the outsourcing decision-making process in order to allow for more thorough discussion and to permit the parties to better assess the impact of outsourcing on the long-term job stability of employees and the financial viability of given Corporate locations.

The Corporation agrees to a full disclosure to the International Union of the procedures utilized in sourcing activities.

3. Temporary Outsourcing

The National Parties agree that temporary outsourcing is not intended to provide a means for circumvention and abuse of the normal outsourcing notification procedures outlined in this Agreement. Outsourcing notices issued for temporary situations such as: breakdown of machinery or equipment, plant rearrangement and/or modernization, spot buys, model changeovers, and factory assists, etc., will be incorporated in the Quarterly Sourcing Report. By incorporating these occurrences in the Quarterly Sourcing Report, it is mutually understood that legitimate temporary outsourcing will not be considered in determining the Corporation's hiring requirements, pursuant to Appendix K, due to the scheduled return of the outsourced work.

The National Parties will monitor all temporary outsourcing to assure the return of such work in a timely fashion in keeping with the intent of this Appendix and Appendix K.

Beginning with the effective date of this Agreement, Temporary Outsourcing Notices which remain open 30 days beyond the date the work was projected to be returned will be converted to permanent notices and the manpower associated with the work will be counted in the Net Sourcing calculation under Appendix K. Upon return of the work after a notice has been converted to permanent status, a notice of insourcing will be issued to the impacted location.

The Parties understand that circumstances do arise wherein the projected return date of temporarily sourced work legitimately requires an extension and the above provisions are not intended to create Appendix K liabilities in those circumstances.

Any questions or problems that may arise relative to the meaning and intent of this understanding will be reviewed and resolved by the National Parties on a case-by-case basis.

4. Future Product Sourcing

Semi-annually, a confidential review will be held concerning future product programs which will identify new or redesigned vehicles, subsystems, or component parts. These semi-annual meetings will be attended by the Group Vice President - Manufacturing & Labor Relations, North American Operations, and the Vice President and Director of the General Motors Department of the UAW, both of whom may also be requested to attend additional meetings, if deemed appropriate by the National Parties. In reviewing future product programs, representatives from various Corporate disciplines; e.g., Marketing, Engineering, and Product Planning, may be invited to attend.

In addition, an annual powertrain review meeting will be conducted by senior powertrain operations management. This meeting will include a review of the powertrain long-range plan and anticipated effect on powertrain plant product capabilities.

International Union input to early sourcing decisions will be sought by the Corporation's Groups and Divisions. In that regard, the International Union will be notified in writing by the Director, Employee Placement, Job Security and Sourcing upon Document of Strategic Intent (DSI) that the Corporation will proceed with a study involving a new or redesigned vehicle, new engine, or transmission. A comparable notification will be given for those components and subsystems that are not included in a new vehicle development process.

Following the notification, the members of the National Sourcing Committee shall have responsibility for overseeing the interface with individual vehicle programs and the Powertrain, Metal Fabricating and SPO Divisions. The UAW Future Product Sourcing Representatives for Vehicle Manufacturing, Powertrain, Metal Fabricating and SPO Divisions will work with members of their respective organizations so as to gain information and knowledge and to provide input into sourcing discussions and sourcing determinations for those organizations.

The Corporation is committed to implementing a Future Product Sourcing process that provides the Union with early involvement, open access and input to decisions. The process will commence at the DSI step of the Advance Vehicle Development Process, at which time a joint team will be formed consisting of the appropriate UAW and Labor Relations representatives, partnered with the Manufacturing Integration Manager for each product program. The

joint group assigned to a given program will follow the progression of that program through the Advance Vehicle Development Process, the Global Vehicle Development Process, to Start of Production.

In addition, specific Advance Vehicle Development Reviews and Product Portfolio Reviews will be scheduled and attended by the top leadership of the GM Department of the UAW and the Corporation's Labor Relations Staff. Information from these meetings will be communicated to the National Sourcing Committee.

As potential sourcing events or potential opportunities to gain new work are surfaced through this process, there will be a Business Review Team established to address these issues. The Business Review Team process, as well as additional detail relative to the Future Product Sourcing process, is attached to the letter on the subject from the Corporation to the UAW issued during the 2003 Negotiations.

The Corporation agrees not to use the results of such discussions to obtain more attractive contract terms from outside suppliers in lieu of keeping the work in-house.

If requested, higher level meetings or discussions on these matters will be scheduled.

The implementation of this process should provide the parties with the mechanism to take advantage of every opportunity to use internal resources and to create jobs for Protected employees.

The commitments expressed in this Appendix are intended to contribute significantly to our cooperatively working together to provide General Motors employees in the United States improved job security by growing the business.

MEMORANDUM OF AGREEMENT
WELDING EQUIPMENT
MAINTENANCE AND REPAIR
(WEMR) CLASSIFICATION

The parties agree that the below listed documents (copies attached) shall continue in effect:

1. Memorandum of Agreement dated March 15, 1972.

2. Mr. Irving Bluestone's letter to Mr. George B. Morris, Jr. dated March 16, 1972.

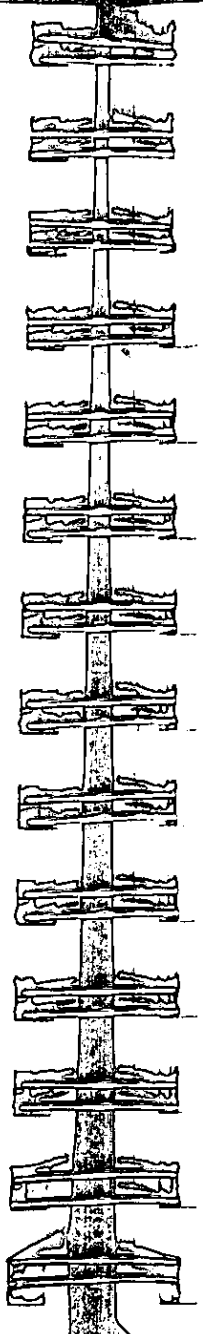
3. The Welding Equipment Maintenance and Repair Apprentice Schedule agreed upon by the GM-UAW Skilled Trades and Apprentice Committee on May 18, 1972.

International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW

Irving Bluestone
Frank James
William V. Colbath
Rudy Pale
Lester D. Bryan
H. G. Gillespie

General Motors Corporation

Robert W. Clark
J. A. Mollica
D. H. Pfeifer
C. E. Black



MEMORANDUM OF AGREEMENT

In accordance with Paragraph 5 of the Memorandum of Agreement concerning the Welding Equipment Maintenance and Repair (WEMR) classification dated November 11, 1970, the parties agree to the following:

1. The Fisher Body - Grand Blanc WEMR Guidelines shall not be implemented at the following Fisher Body Fabricating Plants: Mansfield, Pittsburgh, Kalamazoo, Marion, Hamilton, Chicago, Cleveland Coit Road. Accordingly, as soon as practicable, but in any event within thirty (30) days, WEMR assignments in these plants shall be made as they were prior to the November 11, 1970 WEMR agreement.

2. At Fisher Body - Grand Rapids #1, the WEMR Guidelines, as they relate to construction and maintenance, shall remain in effect as implemented by the local parties on July 19, 1971. The WEMR Guidelines as they relate to installation shall not be implemented. Assignments related to installation shall be made as they were prior to the November 11, 1970 WEMR agreement.

3. At Fisher Body - Lordstown, the WEMR Guidelines will be implemented with the understanding that certain matters presently in dispute will be subject to the provisions of Paragraph (182) of the National Agreement.

4. There shall be no liabilities related to necessary action Management may take to implement this memorandum.

International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW

Irving Bluestone
Frank James
Rudy Pale
Lester D. Bryan

Dated: March 15, 1972

General Motors Corporation

Robert W. Clark
J. A. Mollica
W. K. Myers

Dated: March 15, 1972

March 16, 1972

General Motors Corporation
General Motors Building
Detroit, Michigan 48202

Attention: Mr. G. B. Morris, Jr.
Vice President

Gentlemen:

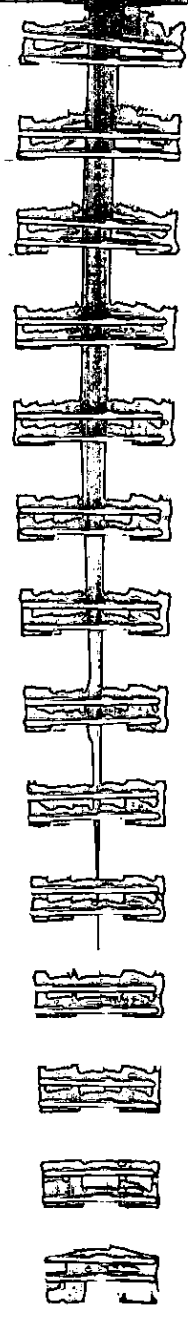
Pursuant to our letter to Mr. E. R. Bramblett of November 11, 1970, and in conjunction with the conclusion of the Memorandum of Agreement dated March 15, 1972, dealing with the Welding Equipment Maintenance and Repair (WEMR) classification, the parties discussed at length a standard apprentice program for this classification in the Fisher Body fabricating plants.

This letter is to confirm the understandings reached during these discussions concerning such an apprentice program.

Specifically,

1. Within sixty (60) days of the date of this letter, the GM-UAW Skilled Trades and Apprentice Committee shall work out the details of a standard 4-year apprentice program for the Welding Equipment Maintenance and Repair classification.

2. Thereafter the Corporation may implement such standard program at the following Fisher Body fabricating plants: Grand Rapids #1, Hamilton, Kalamazoo, Marion, Grand Blanc and Cleveland. Any apprentices indentured into this standard program shall be trained in accordance with the program's schedule.



3. If in the future an apprentice program is implemented at the Fisher Body fabricating plants in Chicago, Mansfield, Pittsburgh and Lordstown, it will be by agreement of the GM-UAW Skilled Trades and Apprentice Committee.

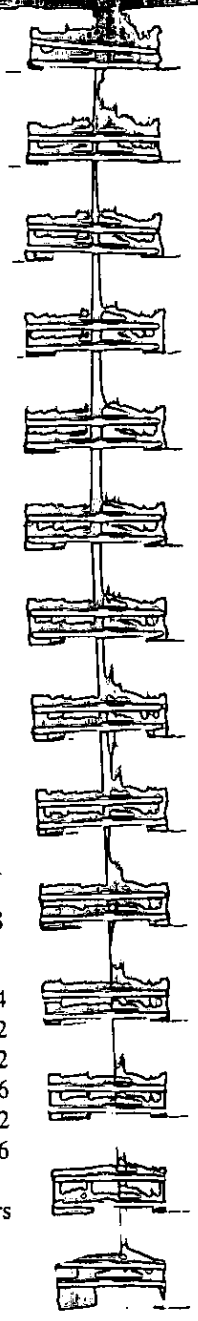
Sincerely,

Irving Bluestone,
Director
General Motors
Department

IB:sjw
opeiu42

WELDING EQUIPMENT MAINTENANCE AND REPAIR

Shop Training Schedule	Approximate Hours
1. Operation of Hand and Power Tools	80
2. Maintenance, Repair, Setup, Tryout Production Welding Equipment Including Guns, Manipulators and Other Related Mechanical Devices	2220
3. Maintenance, Repair, Setup, Tryout Related Production Welding Equipment such as Fixtures, Safety Devices and Shuttles	2100
4. Maintenance, Repair, Setup, Tryout Components of Electrical, Air and Fluid Systems, Associated with Production Welding Operations	2000
5. Other Related Work Build and Rebuild Welding Guns, Hoses, Cables; Dress Electrodes	240
6. Optional	688
7. Safety Instruction	—
Total	7328
Suggested Related Training	
Math	144
Science	252
Shop	72
Drawing	36
Unassigned	72
Total	576
Shop and Related Training - TOTAL	7904 Hours



WEMR GUIDELINES

The original construction of Welding and Non-Welding Fixtures will be a proper part of the "Tool Maker" classification.

The construction of new details and parts for incorporating engineering changes on welding fixtures will be a proper part of the "Tool Maker" classification. Installation of these details on the fixtures during original construction will be a proper part of the "Tool Maker" classification, and the installation of these details and parts into fixtures during a model run will be a responsibility of the "Welding Equipment - Maintenance and Repair" classification.

Those fixtures constructed in this plant will be piped and wired during initial construction by employees in the "Pipefitter" and "Electrician" classifications respectively.

The original wiring of electrical control panels performed in the plant will be a proper part of the "Electrician" classification of labor.

The original wiring to a junction box on non-welding fixtures during initial construction is a proper part of the "Electrician" classification of labor.

The original installation of free-standing welding and non-welding fixtures into the Metal Assembly Department will be considered a proper part of the "Millwright" classification.

The Union referred to Paragraph 12 of Management's proposed Skilled Trades Settlement Agreement and inquired which classification of labor would be responsible for the installation of non-welding fixtures into a line in the Metal Assembly Department.

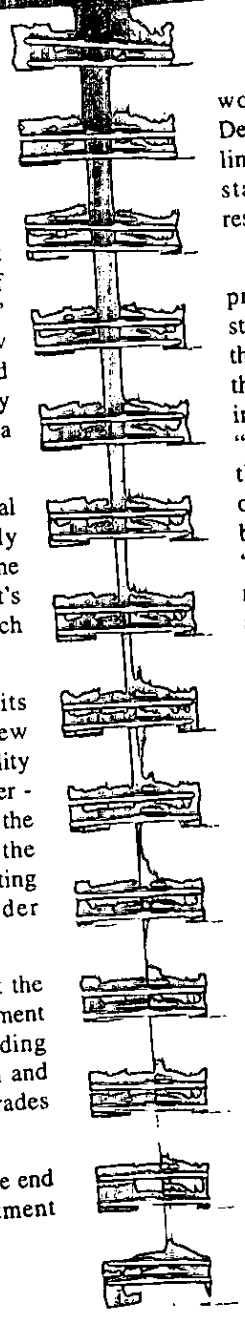
Management stated that the necessary wiring and piping to and from non-welding fixtures which are installed into a line in the Metal Assembly Department will be the responsibility of the "Electrician" and "Pipefitter" classifications respectively during initial construction. The synchronization of such equipment into an existing line, however, will be a responsibility of the "Welding Equipment - Maintenance & Repair" classification of labor. If the installation of the new details required for an engineering change necessitated the installation of new piping from the main supply valve, the work of installing the new piping would be a proper part of the "Pipefitter" classification.

The Union referred to the recent addition of several operations on the ME Line in the Metal Assembly Department which the Union had contended at that time was a new installation and inquired how Management's proposed Skilled Trades Settlement would affect such work in the future.

Management stated that it was the intent of its proposed settlement to consider such work as new installation which would, therefore, be a responsibility of the Plant Maintenance Department and "Die Maker - Devices" classification. As with the installation of the non-welding fixture referred to above, however, the synchronization of the new operations with the existing line would be a responsibility of the Welder Maintenance Department.

The Union referred to the automatic turnover at the end of the door lines in the Metal Assembly Department which are currently a responsibility of the "Welding Equipment - Maintenance & Repair" classification and inquired how Management's proposed Skilled Trades Settlement would affect this work.

Management stated that the turnover device at the end of the door lines in the Metal Assembly Department



would be maintained by the Plant Maintenance Department since it could be considered as an out-of-the-line operation. In this regard, however, Management stated that such a turnover in-line would be the responsibility of the Welder Maintenance Department.

Management referred to Paragraph No. 9 of its proposed Skilled Trades Settlement Agreement and stated that all fixtures constructed in this plant whether they are to be shipped to another plant or to be used in this plant will in the future be piped and wired during initial construction by employees in the "Pipefitter" and "Electrician" classifications respectively. In addition, the piping and wiring on those fixtures constructed outside the plant for use in this plant which have not been piped and/or wired will be the responsibility of the "Pipefitter" and "Electrician" classifications respectively. In the past, Management stated, the piping and wiring on those fixtures constructed in this plant for use at this location were the responsibility of the "Welding Equipment - Maintenance & Repair" classification. Likewise, Management stated, the original wiring of electrical control panels which was previously the responsibility of the Welder Maintenance Department would in accordance with its proposed settlement agreement be a proper part of the "Electrician" classification of labor. In this regard, if, for example, it is necessary to replace individual wires in a control panel during a production run, such work will be assigned to the "Welding Equipment - Maintenance & Repair" classification; however, if on the other hand it is necessary to partially or completely rewire a control panel, whether or not such work is performed in-line, the task of rewiring the control panel will be a proper part of the "Electrician" classification of labor.

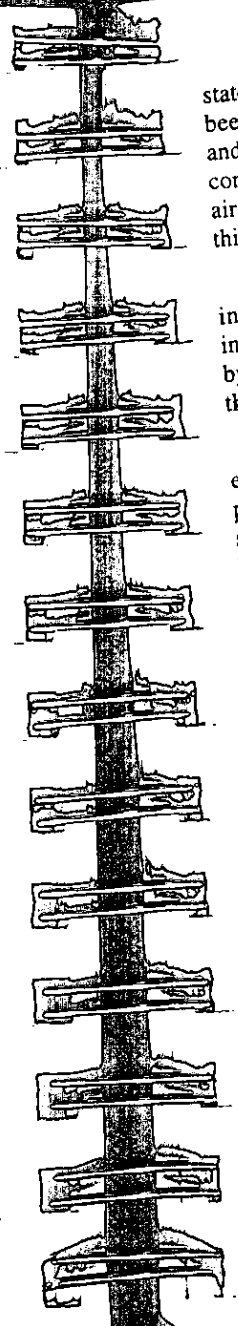
The Union referred to a current appeal case wherein the Union is protesting the assignment of employees in the "Welding Equipment - Maintenance & Repair"

classification to the task of jumping the lubrication system on a welding press in the Metal Assembly Department and inquired if Management's proposed Skilled Trades Settlement language would affect the assignment of such work in the future.

Management stated that the lubrication system on the welding press in question had been jumped to complete tryout of that line, and such work would continue to be a responsibility of the "Welding Equipment - Maintenance & Repair" classification. In this regard, Management stated that the repair of mechanical systems on welding presses would be a responsibility of the Plant Maintenance Department but repairs to the electrical systems on welding presses, except the press drive motor, would continue to be a responsibility of the Welder Maintenance Department.

Management stated that the installation of air circuitry controls of the mechanical handling equipment during new construction will be a proper part of the "Pipefitter" classification. Modification of air circuitry will, likewise, be a proper part of the "Pipefitter" classification of labor. Trouble shooting and maintenance of such control units will in the Press Department be a responsibility of the "Die Maker - Devices" classification and in the Metal Assembly Department of the "Welding Equipment - Maintenance & Repair" classification. Management stated, however, that maintenance of such units referred to, for example, repairing or replacing a broken hose, changing filters, changing valves, adjusting air flow, etc., and in no way implied stripping down and rebuilding an entire control unit. The stripping down and rebuilding of air circuitry control units performed by plant employees, whether performed in-line or off-line, will be a proper part of the "Pipefitter" classification.

The Union referred to the "dope" dispensing fixture on the MA Line in the Metal Assembly Department and



stated that the maintenance of this unit has historically been a responsibility of the "Pipefitter" classification and stated that it was its opinion that this fixture should continue to be maintained by Pipefitters even though an air circuitry control unit had recently been installed on this fixture.

Management stated that it concurred with the Union in this regard, and since air circuitry controls were installed on a piece of equipment previously maintained by the "Pipefitter" classification, such controls should in the future be maintained by that classification of labor.

Management stated that modifications on the electrical circuit on mechanical manipulators will be a proper part of the "Electrician" classification. Trouble shooting and maintenance of such units will in the Press Department be a responsibility of the "Die Maker - Devices" classification and in the Metal Assembly Department of the "Welding Equipment - Maintenance & Repair" classification. The maintenance of such units in no way implies stripping down and rebuilding the entire electrical circuit. The stripping down and rebuilding of the electrical circuit on mechanical manipulators performed by plant employees, whether performed in-line or off-line, will be a proper part of the "Electrician" classification.

It will be the general operating practice that the maintenance of shuttle rails between welding operations in the Press Department will be a proper part of the "Die Maker - Devices" classification. The synchronization of shuttle units with the welding operations will be a proper part of the "Welding Equipment - Maintenance & Repair" classification.

MEMORANDUM OF UNDERSTANDING ON OVERTIME

Introduction

The parties recognize that the manufacturing operations of the Corporation are highly and completely integrated. An interruption at one stage of the production process, whether during the regular work day, work week, or overtime or other premium hours, can, and probably will, cause costly interruptions of the process at earlier and/or later stages. This Memorandum represents an accommodation between the needs of the Corporation and the rights of individual employees to decline overtime work on occasion for a variety of individual and personal reasons.

The parties have earnestly sought during negotiations resulting in the contract dated today, feasible steps that the Corporation might take in scheduling overtime work to provide employees an opportunity to accept or decline work opportunities during such periods, and have reached the following understanding which shall constitute a supplement to the National Agreement.

In order to accommodate the scheduling of overtime in a manner compatible with changing production requirements, while preserving the right of employees to decline overtime, Local Plant Management will make an election once each model year to schedule overtime operations in accordance with Plan A or Plan B below.

PLAN A

1. Daily Overtime

Hours in excess of nine (9) hours worked per shift shall be voluntary, except as otherwise provided in this Memorandum of Understanding, for an employee who shall have notified Management in accordance with Paragraph 8.

2. Saturday Overtime

Employees may be required to work Saturdays; however, except as otherwise provided in this Memorandum of Understanding, an employee who has worked two or more consecutive Saturdays may decline to work the following (third) Saturday provided (a) the employee shall have notified Management in accordance with Paragraph 8, and (b) the employee has not been absent for any reason (excluding absences for which pay is received under Paragraphs [194], [203], [218] and [218b]) on any day during the week preceding the Saturday. Absences excluded under Paragraph (194) must be excused. For purposes of this Paragraph, Saturday work shall not include hours worked on Saturday by employees regularly scheduled to work Saturday or any portion thereof as the normal fifth day worked such as (i) an employee whose shift starts Friday and continues into Saturday, or (ii) an employee who is assigned to work on No. 1 Shift (Midnight) operations regularly scheduled to start with the No. 1 Shift (Midnight) Tuesday.

3. Sunday Overtime

Except as otherwise provided in this Memorandum of Understanding, overtime work on Sundays shall be voluntary and employees may decline to work Sunday; provided that (a) the employee shall have notified Management in accordance with Paragraph 8, and (b) the employee has not been absent for any reason (excluding absences for which pay is received under Paragraphs [194], [203], [218] and [218b]) on any day during the week preceding such Sunday, except for a Saturday which employee declined to work pursuant to Paragraph 2 above. Absences excluded under Paragraph (194) must be excused. For purposes of this Paragraph, Sunday work shall not include those hours worked on Sunday which are part of an employee's normal five-day work week (Sunday P.M. through Friday A.M.)

PLAN B

4. Daily Overtime

Daily hours in excess of ten (10) hours worked per shift and Saturday hours in excess of eight (8) hours per shift shall be voluntary, except as otherwise provided in this Memorandum of Understanding.

5. Saturday Overtime

Management shall have the right to designate, during a model year period, beginning at the completion of the model launch exemption period stated in Paragraph 10 below, and ending two weeks preceding the announced model build-out, six Saturdays as non-voluntary overtime work days. All other Saturdays are voluntary, except as otherwise provided in this Memorandum of Understanding, and employees may decline to work any other Saturday during such model year, provided (a) they shall have notified Management in accordance with Paragraph 8, and (b) they have not been absent for any reason on any day during the week preceding any Saturday which they elect not to work (excluding absences for which pay is received under Paragraphs [194], [203], [218] and [218b]). Absences excluded under Paragraph (194) must be excused.

6. Sunday Overtime

The provisions of Paragraph 3 shall apply.

7. This Memorandum of Understanding shall not apply to employees working on what are normally classified as seven (7) day operations. The International Union may bring to the attention of the Corporation any overtime problems connected with employees on such operations.

8. Notice

With respect to all voluntary hours provided for in this Memorandum of Understanding in a given week, the employee may decline to work such hours if the employee notifies the employee's supervisor on a form to be provided by Management before the end of the shift on the preceding Wednesday provided the employee has been notified of the overtime schedules for such week not later than the preceding day. If the employee is not so notified, the employee shall give such notice to the employee's supervisor before the end of the shift following the day of such notice, provided that if the employee is not so notified until the week in which the overtime is scheduled, the employee shall give such notice by the end of the shift in which the employee receives such notice from Management.

9. Critical Plants

A. Critical plants or parts of plants are those that are crucial to the integrated supply system of the Corporation and whose output is essential to meeting the scheduled production of one or more other plants or of customers, and as a result, must operate, in whole or in part, seven (7) days a week.

B. The Corporation may, from time to time, designate plants or parts of plants as critical, provided, however, that fifteen (15) days prior to making such designations, it will inform the GM Department of the International Union, which will indicate its objections, if any, to a plant or plants being so designated.

C. Any plant or part thereof that the Corporation designates as critical, shall, for a period of ninety (90) days after it is so designated, be exempt from the provisions of this Memorandum of Understanding that limit or restrict the right of the Corporation to require employees to work daily overtime or on Saturdays or

Sundays or entitle employees to decline to work at such times. After a plant or part of a plant has been initially designated as critical, it may thereafter be redesignated as such by mutual agreement.

10. Annual Automatic Exemptions

A. The provisions of this Memorandum of Understanding that limit or restrict the right of the Corporation to require employees to work daily overtime or Saturdays or Sundays shall be ineffective in each assembly plant (a) beginning on a date two (2) weeks preceding the announced build-out date and ending on the build-out date, i.e., when the plant produces for sale the last unit of the model it has been producing; provided, however, the above-mentioned provisions may be ineffective for up to two (2) additional weeks, provided the Corporation gives advance notice of supply or other problems which would interfere with the build-out, and (b) for the week in which it launches, i.e., after the build-out, frames the first unit of a new model, and for three (3) weeks thereafter or until the line reaches scheduled production, whichever is later.

B. Said provisions shall likewise be ineffective during model change time each year in plants other than vehicle assembly plants for periods to be designated by Plant Management that shall not exceed, in the aggregate, four (4) weeks. Local Unions will be advised in advance of such designated periods.

11. Concerted Activity

A. Any right to decline daily overtime or Saturday or Sunday work that this Memorandum of Understanding confers on any employee may be exercised only by each employee acting separately and individually, without collusion, conspiracy or agreement with, or the influence of, any other employee or employees or the

Union or pursuant to any other concerted action or decision. No employee shall seek by any means to cause or influence any other employee to decline to work overtime. Violation by any employee of the terms, purpose or intent of this Paragraph shall, in addition to subjecting the employee to discipline, nullify for one (1) month (not including the periods mentioned in Paragraph 10 above) the employee's right to decline overtime.

B. The Corporation shall have the right to suspend for a period of two (2) weeks (not including the periods mentioned in Paragraph 10 above) as to an affected plant or part of a plant the provisions of this Memorandum of Understanding that limit or restrict its right to require employees to work daily overtime or Saturdays or Sundays, or that entitle employees to elect not to work daily overtime or on Saturdays and Sundays, in the event employees collusively, concertedly or in response to the influence of any employee, or group of employees, or the Union (i) fail or refuse to report for daily overtime work or work on Saturday or Sunday that they have not declined as herein provided, or (ii) decline, as so provided, daily overtime work or work on Saturday or Sunday. If employees who are scheduled to work daily overtime in a plant or department or on Saturday or Sunday fail or refuse to work as scheduled in significantly greater numbers than the Corporation's experience under this Memorandum can reasonably lead it to expect, such evidence should be carefully considered by the Umpire in any decision involving the question of whether their failing or refusing to work the scheduled hours was collusive, concerted or influenced by other persons. The Union shall have the right to present directly to the Umpire any claim that the Corporation has acted wrongly in suspending the provisions of this Memorandum as to employees or a plant or part thereof. If the Umpire sustains the Union's claim, the

Corporation shall, within sixty (60) days of the date of the Umpire's award, give each affected employee the right to decline work on as many daily overtime days or Saturdays or Sundays as such right was suspended.

12. Emergencies

The provisions of this Memorandum of Understanding that limit or restrict the right of Management to require employees to work daily overtime or Saturdays or Sundays shall be suspended in any plant whose operations are interrupted by emergency situations, such as single breakdowns of four hours or more, government mandated work, power shortages, strike, fire, tornado, flood or acts of God, for a period of time necessary to overcome such emergencies.

Any breakdown is to be considered justification for suspending the limitations on Management's right to require overtime work for purposes of correcting the breakdown itself; Management's right to suspend such limitations for the purpose of making up lost production is, however, in the case of breakdowns, limited to production lost as the result of single breakdowns of four or more hours.

13. Exempt Operation

Employees on over the road trucking operations shall be exempt from the provisions of this Memorandum of Understanding.

14. New Plants

The provisions of this Memorandum of Understanding that limit or restrict the right of the Corporation to require daily overtime work or work on Saturdays and Sundays shall be ineffective at any plant the Corporation builds or buys and remodels for a period of one year after regular production in such plant starts.

15. SUB

Daily overtime hours or Saturday or Sunday work that an employee declines under the terms of this Memorandum of Understanding shall be deemed "Compensated or Available Hours" within the meaning of the Supplemental Unemployment Benefit Plan.

16. General

A. In order to implement this Memorandum, the Corporation shall have the right to hire temporary part-time employees for straight-time, overtime or weekend work in any plant. Such temporary part-time employees shall not be entitled to Saturday or Sunday overtime premium pay, except as required by law, until they are qualified to perform the work to which they are assigned or for fifteen (15) working days, whichever is sooner.

As to skilled trades work such part-time employees will be qualified to perform the work. The term "qualified" will conform with the skilled trades provisions of the National Agreement.

B. Nothing herein shall preclude a plant from expanding its work force beyond the normal requirements of its operations by hiring new employees and adopting a program pursuant to which employees of said plant may have one (1) or two (2) days off per week (which days need not be Saturdays or Sundays); provided, however, that work performed on Saturday or Sunday shall be at present premium rates. Plans for such a program shall be discussed in advance with the GM Department of the International Union, and any system of rotating days off among some or all of the employees shall be by mutual agreement between the Local Union and the Plant Management.

C. Nothing in this Memorandum of Understanding shall make ineffective any local past practice or

agreement concerning voluntary overtime that is mutually satisfactory to the Local Union and the Plant Management.

D. It is understood that each bargaining unit shall have the option of applying this Memorandum of Understanding to skilled trades employees as a group, and not to non-skilled trades employees as a group, and vice versa. For the purpose only of exercising this option, non-skilled trades employees (e.g., Crane Operator in Die Room) whose work is supportive of skilled trades employees work will vote with the skilled trades employees as a group and skilled trades employees (e.g., W.E.M.R.) whose work is supportive of non-skilled trades employees work will vote with the non-skilled trades employees as a group. The local Union will notify the local Management in writing of its election not later than October 1, 1982. In plants where the election is to continue the application of this Memorandum, it shall continue without interruption. In plants where the bargaining unit elects for the first time to apply this Memorandum the effective date at such location will be November 1, 1982.

Further, if a bargaining unit elects to apply this Memorandum as provided herein, thereafter the local parties may mutually agree in writing from time to time to suspend the terms of this Memorandum for specified periods during which periods previous mutually satisfactory local practices and agreements in regard to voluntary overtime, overtime equalization and augmentation will apply. A copy of all such agreements will be forwarded to the International Union and the Corporation.

During the life of this Agreement, in the event the Local Plant Management changes its designation to schedule overtime operations from Plan A to Plan B or from Plan B to Plan A as provided herein, the bargaining

unit employees may conduct another vote as provided in this Paragraph (16D) and notify the local Management in writing of its election within 30 days following the notice of change by the Local Plant Management.

E. Nothing in this Memorandum of Understanding shall make ineffective any local agreement pertaining to overtime equalization or augmentation.

F. Problems which may not be foreseen in the administration of the voluntary overtime concept which may affect the ability of the Corporation to operate efficiently may arise during the course of the current National Agreement. In such event, the matter will be raised at the Corporation-International Union level for resolution.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 2nd day of November, 1996.

International Union, UAW	**General Motors Corporation**
Richard Shoemaker	Gerald A. Knechtel
Bill Apple	Frederick R. Curd, Jr.
Henderson Slaughter	
Richard J. Monczka	

[See Par. (71),(85)(a)-(c),(86),(87)]
[See Memo-Joint Activities, Funding]
[See Doc. 83,111,116]

MEMORANDUM OF UNDERSTANDING ON WORK CENTERS

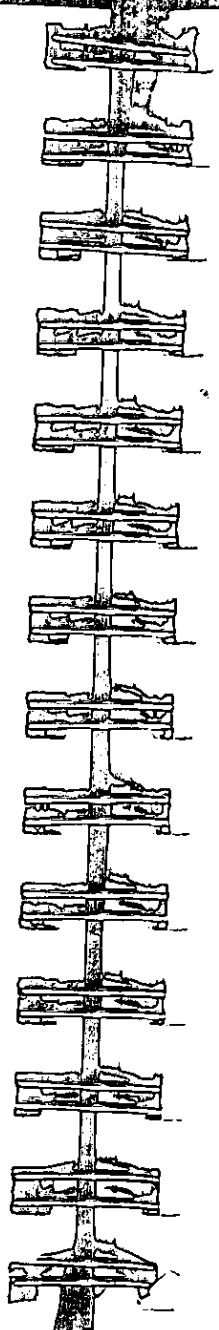
During the 1967 negotiations, the Union requested that a Work Center be furnished in each plant where designated Union representatives could meet internally regarding representation matters, prepare statements required by the Grievance Procedure Section of the National Agreement, and keep files necessary to carry out their representation functions. By letter to the International Union dated December 15, 1967 from Mr. L. G. Seaton, Vice President, the Corporation agreed to provide such Work Centers in certain plants of the Corporation with certain contingencies.

During 1976 negotiations the Corporation brought to the attention of the International Union alleged abuses which the Corporation claimed existed in the operation of the Work Centers at some locations. As a result of those discussions, it was agreed as follows:

1. Local Management may bring to the attention of the Local Union Shop Committee and Regional Servicing Representative any alleged abuses in the operation of the Work Center. The parties will attempt to resolve the issue.

2. Should the discussions between Local Management and the Local Union Shop Committee and Regional Servicing Representative fail to resolve the matter, Local Management may advise the Labor Relations Staff of General Motors Corporation which in turn may bring the matter to the attention of the UAW General Motors Department for discussion. The General Motors Department will dispatch one or more of its staff representatives to examine the alleged abuses at the plant site.

3. If the problem is still not resolved it may be referred by either of the parties to the Industrial



Relations Staff of the Corporation and the General Motors Department of the International Union. The International Union and the Corporation will determine the necessary corrective action.

Utilization of Work Centers

1. Usual office type equipment such as typewriters and duplicating machines may be furnished by the Local Union for use in the Work Center. In such instances, the plant procedures for bringing and removing personal property into and from the plant must be followed.

2. A notice will be placed at the entrance of each Union Work Center explaining the function of the facility and expressly prohibiting unauthorized entrance by persons other than the Shop Committee.

3. Pictures, calendars, cardboard, etc., will not be affixed to the windows, nor will the view be obscured in any manner.

4. A window opening similar to a cashier's window will be installed in each Union Work Center so that employees with a bona fide question or inquiry can receive necessary service without entering the Union Work Center.

5. Lighting will be provided in such a manner that it cannot be extinguished during times that Shop Committeemen are in the plant.

6. Non-duplicating keys or magnetic keys will be issued to members of the Shop Committee, and the Work Center will be locked to prohibit entry by unauthorized persons.

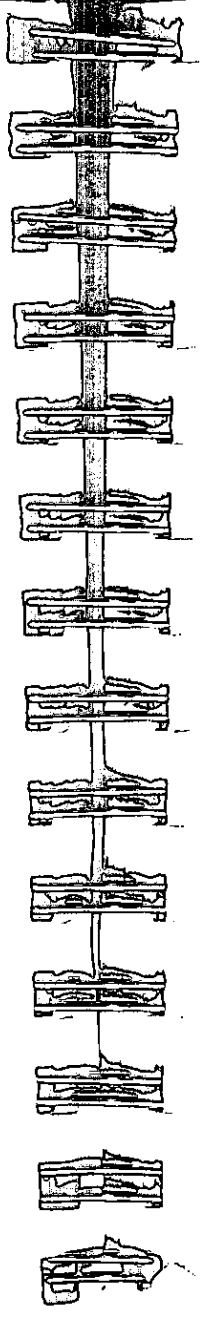
7. At each plant location a joint examination of the furniture in the Work Center will be made within

ninety (90) days of the effective date of the National Agreement. Furniture that is unsatisfactory will be repaired or replaced. Union representatives will exercise care in using the facilities and good housekeeping practices will be followed.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 24th day of October, 1993.

International Union, UAW	**General Motors Corporation**
Stephen P. Yokich	Gerald A. Knechtel
Calvin T. Rapson	Frederick R. Curd, Jr.
Henderson Slaughter	James E. Pryce
Richard J. Monczka	

[See Doc. 73-76]



MEMORANDUM OF UNDERSTANDING JOINT ACTIVITIES

During current negotiations, the parties discussed the challenges in the marketplace from both foreign and domestic competitors. There is mutual recognition that these challenges require a fundamental change to maximize the potential of our human resources. This change can occur only by building on our current joint efforts and by fostering a spirit of cooperation and mutual dedication that will permit the full development of the skills of our people and meaningful involvement in the decision-making process. Success in these endeavors benefits all of the parties: The UAW through a strong and viable membership; the employees through job satisfaction and job security; and the Corporation through achieving its goal of becoming a world class competitor.

The parties agree that in order to make constructive progress in this regard, there is a need to reach a common understanding of the concept of "jointness" and to establish a facilitating mechanism to assure that the various programs related to changes in the work environment are appropriately and effectively administered.

The term "jointness" is understood to mean that concepts for these activities be jointly developed, implemented, monitored, and evaluated. Furthermore, decisions must be arrived at in a setting which is characterized by the parties working together in an atmosphere of trust; making mutual decisions at all levels which respect the concerns and interests of the parties involved; sharing responsibility for the problem solving process; and sharing the rewards of achieving common goals.

The parties agree that the appropriate facilitating mechanism for joint endeavors is the Executive Board-Joint Activities (Executive Board).

I. EXECUTIVE BOARD-JOINT ACTIVITIES

It is agreed the Co-Directors of the Executive Board will be the Group Vice President, Manufacturing and Labor Relations of General Motors Corporation and the Vice President and Director of the GM Department of the UAW. Each will appoint an equal number of persons as members of the Executive Board.

The Executive Board will actively direct and support the National Joint Skill Development and Training Committee, the National Joint Committee on Health and Safety, the National Committee on Attendance, the National Work/Family Program Committee, the Tuition Assistance Program, JOBS Program, Paid Educational Leave, and other national joint committees and activities as may be mutually agreed to by the Union and the Corporation.

The duties and responsibilities of the Executive Board will include, but not be limited to, the following:

A. Setting policies and providing guidelines;

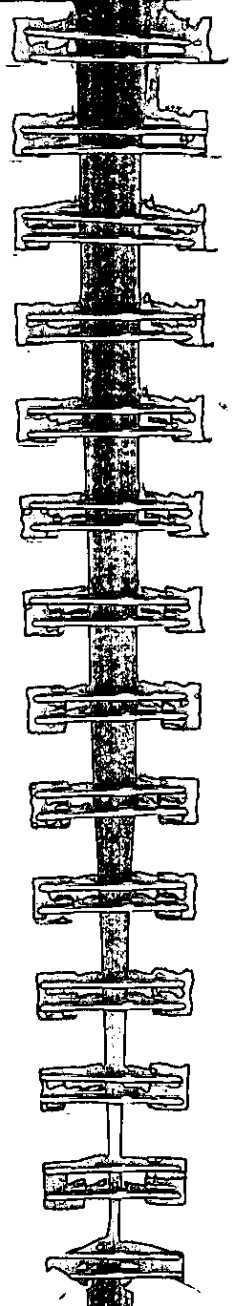
B. Allocating funds for projects and activities;

C. Monitoring expenditures for approved projects and activities;

D. Coordinating the efforts of the National Committees referred above;

E. Evaluating and auditing the ongoing performance and results of these committees;

F. Review and approve proposals for National meetings, conferences, and workshops;



G. Integrate Joint Activities with Corporate structures and business decisions;

H. Keeping UAW leadership and Corporate management informed of joint Union-Management activities and the progress of the national committees in achieving their objectives, including convening regular joint meetings at the Group, Division, and Staff level to promote the coordination, delivery and implementation of effective human resource development programs and processes throughout the plants as well as to share appropriate business and joint activity information.

The Group Vice President, Manufacturing and Labor Relations of the General Motors Corporation and the Vice President and Director of the GM Department of the UAW will appoint an equal number of representatives from their organizations to serve on Joint National Committees. Additional persons external to either party may also be appointed with the mutual approval of the Co-Directors.

II. LOCAL JOINT ACTIVITIES COMMITTEE

During current negotiations, the parties discussed the need to focus the responsibility for all local joint activities on those individuals who have primary responsibility for their success and to enhance their effectiveness through improved information sharing, priority and goal setting, resource allocation and the elimination of duplication.

Accordingly, the parties agree that the appropriate local facilitating mechanism for all local joint activities is the Local Joint Activities Committee consisting of the President of the Local Union, Shop Committee Chairperson and members of the Shop Committee, Plant Manager, Personnel Director and other appropriate Management Representatives. The Local Joint Activities Committee is responsible for actively

supporting and directing the Local Joint Skill Development and Training Program, Local Human Resource Development Process, Local J.O.B.S. activities and to provide coordination among all other local joint activities such as Health and Safety, Work/Family, Quality Network, etc. The UAW Regional Director and/or their representatives should be fully involved regarding joint activities including actions of the Local Joint Activities Committee.

The duties and responsibilities of the Local Joint Activities Committee include the following:

A. Provide structure for integrating all joint efforts.

B. Set local policies/guidelines to enhance each joint activity.

C. Integrate joint activities with business operations through a joint planning process.

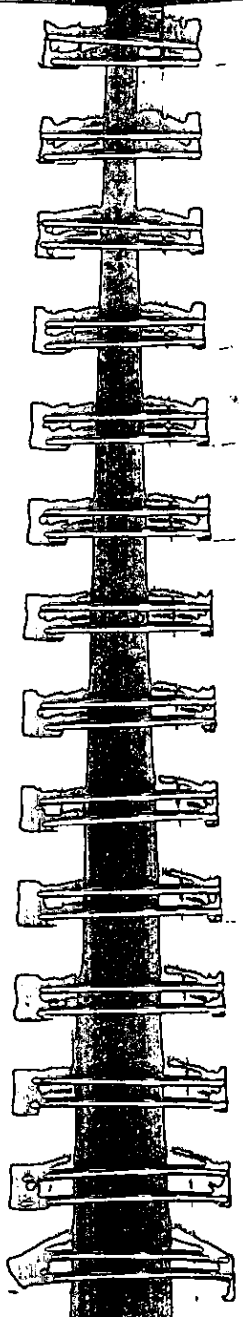
D. Allocate and monitor local joint funds and other resources in accordance with this memorandum and national guidelines in support of all joint activities.

E. Insure UAW Joint Training Representative(s) are involved in the preparation of training budgets/plans directed at UAW represented GM employees.

F. Monitor and evaluate the performance and results of joint activities and provide positive recognition and/or corrective direction as required.

G. Regularly exchange information on plant operations and communicate appropriate information to all employees.

H. Keep UAW/Corporation leadership including the Executive Board - Joint Activities informed of the status and progress of joint activities.



I. Approve and implement training plans directed at UAW represented GM employees.

Additionally, the Joint Activities Annual Summary should serve as the reporting mechanism to the UAW-GM Center for Human Resources (CHR) and must be submitted to the CHR by January 31 each year by the Joint Activities Representative(s).

The Union will be fully involved in all phases of training including analysis and development that is directed at UAW-represented employees. When such employees will be impacted by training and manual specifications for equipment and manufacturing systems, Union input with respect to development and delivery of training will be obtained by either Management's Group/Division or plant training personnel prior to GM signing off on the specifications.

In situations where mutual agreement regarding joint activities cannot be reached locally, either party may appeal the issue to the National Joint Skill Development and Training Committee for resolution.

III. FUNDING

A. NATIONAL FUNDS

It is agreed that the Corporation will make available funding at five cents (5¢) per hour worked for use at the national level. Further, the Corporation will make available additional funding up to $5.00 per overtime hour worked in incremental amounts in excess of five percent (5%) of straight time hours worked (calculated on a twelve month rolling average). Such additional funding will be calculated in accordance with the following incremental table:

Overtime hours as Percent of Straight Time Hours	Additional Amount Per Hour
5% or less	$0.00
Greater than 5% thru 12%	1.25
Greater than 12% thru 13%	1.50
Greater than 13% thru 14%	2.00
Greater than 14% thru 15%	2.50
Greater than 15% thru 16%	3.00
Greater than 16% thru 17%	3.50
Greater than 17% thru 18%	4.00
Greater than 18% thru 19%	4.50
Greater than 19%	5.00

B. RESERVOIR AND LOCAL FUNDS

It is agreed that the Corporation will make available funding at ten cents (10¢) per hour worked for use either in the plants (LOCAL FUNDS) or certain nationally approved projects (RESERVOIR FUNDS). The parties will allocate the ten cents (10¢) between LOCAL FUNDS and RESERVOIR FUNDS on an as required basis over the term of the Agreement. Funds allocated as RESERVOIR FUNDS may be used for national activities, upon approval of the Executive Board - Joint Activities.

C. FUNDING UNDER 1999 NATIONAL AGREEMENT

It is agreed that uncommitted funding balances accrued under the 1999 National Agreement in both the five cents (5¢) per hour fund and the ten cents (10¢) per hour (LOCAL FUNDS) and (RESERVOIR FUNDS) as of September 18, 2003 will be carried forward under the new National Agreement. Subsequent to September 18, 2003 a

final reconciliation and balancing of accounts, expenditures and commitments as of September 18, 2003 will occur. Thereafter, the remaining funds will be available for the parties.

D. AGREEMENT EXPIRATION

In the event the parties should agree to discontinue, in whole or in part, this Memorandum prior to the expiration date of the new National Agreement, or upon expiration, the parties shall meet to discuss any problems arising out of the termination. After reconciliation of claims, commitments, and accruals through the expiration date of the new National Agreement, remaining NATIONAL, RESERVOIR and LOCAL FUNDS shall be disposed of in such manner as the parties shall agree consistent with the objectives of this Memorandum.

IV. APPROVAL PROCESS

A. NATIONAL AND RESERVOIR FUNDS

Requests for authorization to expend either NATIONAL FUNDS or RESERVOIR FUNDS must be approved in advance by the National Joint Skill Development and Training Committee and the Executive Board-Joint Activities.

B. LOCAL FUNDS

Requests for authorization to expend LOCAL FUNDS must be jointly approved by the local parties. In addition, certain requests, specified in the UAW-GM Center for Human Resources Funding Guidelines, must receive prior approval from the National Joint Skill Development and Training Committee. In situations where mutual

agreement regarding fund approval cannot be reached locally, either party may appeal the issue to the National Joint Skill Development and Training Committee for resolution. When the local parties authorize funds for Human Resource Development endeavors, the proposal must be forwarded to the National Joint Skill Development and Training Committee for review and monitoring in accordance with its guidelines.

V. FUNDS UTILIZATION

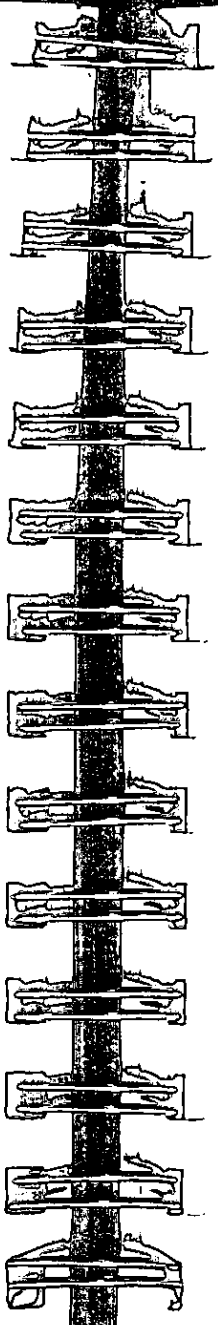
The NATIONAL, RESERVOIR and LOCAL FUNDS may only be used for joint endeavors in furtherance of this Memorandum of Understanding, or in support of those Joint National Committees specified in Paragraph I above. Definitive guidelines will be jointly reviewed and communicated subsequent to ratification. The parties are specifically empowered to review and evaluate this Memorandum and the guidelines and make mutually satisfactory adjustments and modifications during the term of this Agreement.

Following are illustrative examples of appropriate uses of the various funds.

EXAMPLES OF APPROPRIATE FUNDS UTILIZATION

A. NATIONAL FUNDS

- National efforts to assist laid-off workers
- Area efforts to assist laid-off workers
- Local efforts to assist laid-off workers
- Specific projects dealing with active workers
- Tuition Assistance Program



- National Office
- Joint National Studies
- Joint National Pilot programs
- Joint National Training efforts
- Joint National Agreement administration

B. RESERVOIR FUNDS

- Training of active employees when local funds have been exhausted.
- Training of active employees at new, reopened or retooled plants where sufficient local funds have not been generated.
- Area, group, multi-plant divisional, etc., meetings or training.

C. LOCAL FUNDS

- Training efforts of active employees in job related skills, basic education enhancement, interpersonal skills and Human Resource Development.
- Specific studies, pilots, activities, etc. agreed to by the National Parties.

EXAMPLES OF INAPPROPRIATE FUNDS UTILIZATION

It is understood that FUNDS at any level may not be utilized for contractually specified training such as apprentice training nor for funding of time off the job of designated or elected UAW representatives routinely functioning in administration of the contract. In addition, FUNDS should not be used to train employees who will be required to service newly introduced technology. However, subsequent general training of other tradespersons on this equipment to broaden their

skills is appropriate. Further, FUNDS should not be used for the training of tradespersons to implement a newly negotiated change in classifications, however, the use of FUNDS to freshen or update generally the skills of tradespersons is appropriate.

It is understood that nothing in this Memorandum limits the rights of either party to provide education and training programs on the same, similar or other subjects.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 18th day of September, 2003.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Henderson Slaughter	Dean W. Munger
Ron Bieber	Larry E. Knox
	Michael Taylor

[See Memo-Overtime]
[See Doc. 46,103,108,109,110]

MEMORANDUM OF UNDERSTANDING JOINT SKILL DEVELOPMENT AND TRAINING

General Motors and the UAW reaffirm the need to continue and expand the Joint Skill Development and Training Program. Furthermore, the parties pledge to continue providing the resources necessary to assure that all employees receive training and development opportunities in order to produce a highly motivated, capable workforce that continually improves its own, and the Corporation's ability to succeed in an increasingly competitive industry. The Union will be fully involved in all phases of training including analysis and development that is directed at UAW-represented employees.

I. NATIONAL JOINT SKILL DEVELOPMENT AND TRAINING COMMITTEE

This National Committee will promote and direct the development and implementation of skill development and training activities, including technical training for active and dislocated employees. GM and the UAW strongly encourage all employees to avail themselves of these activities.

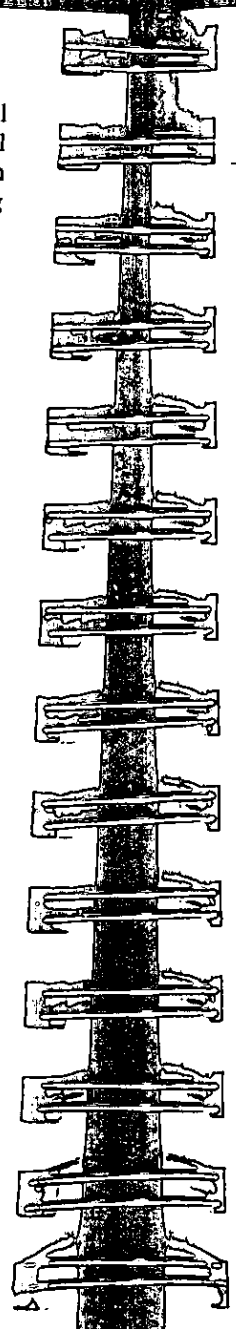
Training and job placement efforts for dislocated workers will be focused on finding comparable employment as soon as possible. In cases involving employees facing indefinite layoff where recall or future GM placement is unlikely, the parties agreed that efforts will include pre-layoff meetings. Guidelines and services for dislocated workers will be developed and approved by the Executive Board-Joint Activities.

In order to insure that Training activities improve the performance of the enterprise and provide participants with enhanced job security, it is essential that Joint Skill Development and Training activities be integrated with the corporation structures and business decisions.

Therefore, the National Parties agree that the National Joint Skill Development and Training Committee will establish and maintain close communication with Corporate, Group and Divisional staffs and training functions to assure that the parties at all levels contribute to the development of effective joint training and development initiatives and utilize the resources and facilities of the UAW-GM CHR to disseminate effective training and development practices. The parties at all levels should utilize the resources and facilities of the UAW-GM Center for Human Resources in developing and implementing joint training efforts.

The duties and responsibilities of the National Committee will include the following:

- Meet at least quarterly at jointly agreed upon times and places.
- Make available training resources to capacitate the Local Joint Activities Committees and additional local training personnel.
- A review of roles and responsibilities of Doc. 46 Human Resource Development Representatives (HRDs), Joint Training Representatives (JTRs) and Joint Activities Representatives (JARs) in order to provide training to ensure the effectiveness of these joint activities.
- Conduct annual joint programs representatives' training needs analysis and schedule required training.
- Identify Skill Development and Training needs for active employees in the areas of basic education, job-related and interpersonal skills.
- Design promotional materials and activities to encourage the expansion of joint Union-Management efforts in our society.



- Sponsor appropriate activities to provide a forum for national experts from labor, academia, business and government to convene and deliberate upon the future of Human Resource Development.
- Authorize studies, demonstration projects and research activities on topics of mutual interest and importance.
- Monitor and evaluate National and Local Joint Skill Development and Training Activities and provide status reports to the Executive Board - Joint Activities.
- Develop and rollout a comprehensive program for use at plants in their efforts to conduct training needs analysis, task analysis, training plans and maintain training records.
- Joint Activities, Human Resource Development and Joint Training Representatives Workshops may be scheduled during the term of the Agreement as determined by the Vice President and Director of the UAW-GM Department and the Group Vice President, Manufacturing and Labor Relations.

II. OTHER JOINT ACTIVITIES

In addition to its previously described duties, the National Joint Skill Development and Training Committee will support other joint National Committees by:

1. Coordinating requests to the Executive Board for funding of joint activities, studies, pilot programs, training, etc.

2. Providing professional and staff support for joint program development, implementation and administration;

3. Providing facilities as required for joint program development, implementation and administration;

4. Providing appropriate communication vehicles or information sharing processes for joint activities;

5. Providing mechanisms, facilities and staff to monitor, audit, and evaluate joint activities; and

6. Coordinating joint efforts, projects, and the various national committees on behalf of the Executive Board-Joint Activities.

III. RESPONSIBILITIES/LOCAL JOINT ACTIVITIES COMMITTEE

The Local Joint Activities Committee, as described in the Memorandum of Understanding - Joint Activities, will be responsible for the Local Joint Skill Development and Training Program. Additionally, the Local Joint Activities Committees will identify resources to assure that a comprehensive annual training needs analysis is conducted based on plant business plan information. Locally approved training identified in the needs analysis and the necessary resources to conduct such training should be integrated into the business planning process. Also, the Local Joint Activities Committee will assure that training programs are readily available which enable employees to improve upon and upgrade their basic education, job, and interpersonal skills.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on the 18th day of September, 2003.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Henderson Slaughter	Dean W. Munger
Ron Bieber	Larry E. Knox
	Michael Taylor

[See Memo-Human Resource Development]
[See Doc. 46]
[See CSA #18]

MEMORANDUM OF UNDERSTANDING HUMAN RESOURCE DEVELOPMENT

A landmark letter appeared in the National Agreement in 1973 which recognized the desirability of mutual organizational change efforts designed to improve the quality of work life of employees and the success of the Corporation. Going forward, General Motors Corporation and the International Union, UAW, have agreed that a single focus must be communicated throughout the organization.

This focus should revolve around people and the beliefs and values of the Quality Network, recognizing that the total involvement of people in all that we do is essential to job security and the success of both the UAW and the Corporation.

In accordance with this focus, the parties recognize that all joint activities will continue to encompass a philosophy that emphasizes joint relationships built on mutual trust, cooperation and respect.

Therefore, the parties agree that all processes directed at developing our human resources will be jointly developed, implemented, monitored and evaluated.

The parties further recognize the need for organizational strategies that focus on large systems change and the integration of all people involvement efforts. Joint resources will be provided to support this objective.

The National Joint Skill Development and Training Committee composed of representatives of the International Union and the Corporation will have responsibility for:

- Promoting and initiating processes, projects, and training that enhances the development of our human resources;

- Making Human Resource Development Training available for UAW International Representatives and local union and management representatives who initiate joint processes;
- Sponsoring joint training conferences for those individuals responsible for coordinating/consulting Human Resource Development activities;
- Convening joint Corporate, Group, Divisional and UAW Regional Human Resource Development leadership conferences;
- Providing information to local parties on the availability of resources including consulting and training;
- Assuring that joint Union and Management groups at the local level receive consultative support and assistance as requested;
- Assuring that consultative resources are established and maintained at the UAW-GM Center for Human Resources;
- Publishing Human Resource Development guidelines and materials;
- Approving and monitoring the use of non UAW-GM consultants.

The Local Joint Activities Committee will be responsible for local Human Resource Development processes, setting goals and policy direction consistent with guidelines established by the National Joint Skill Development and Training Committee and will jointly guide, maintain and evaluate the process.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on the 2nd day of November, 1996.

International Union, UAW	**General Motors Corporation**
Richard Shoemaker	Gerald A. Knechtel
Bill Apple	Frederick R. Curd, Jr.
Richard J. Monczka	Larry E. Knox
Henderson Slaughter	Thomas H. Parkhill
L. E. Bunch	

[See Memo-Joint Skill Development]
[See Doc. 43,46,106,110]

MEMORANDUM OF UNDERSTANDING TUITION ASSISTANCE PLAN

During current negotiations, General Motors and the UAW reaffirmed the necessity of providing active and laid-off workers opportunities for education and training. These efforts will enable them to either re-enter the work force or enhance their development. Accordingly, the parties agree to continue the Tuition Assistance Plan for all qualifying workers who wish to pursue further education and training. The plan is designed to help workers:

- Who are laid off, improve their chances for re-employment
- Or who are active, enhance their opportunities for advancement.

Under this Plan, qualified workers are able to receive assistance in the form of up-front payment to licensed or accredited schools such as colleges, universities, proprietary schools or vocational institutions. The Plan permits workers to select virtually any type of vocational training or education, for their situation and goals, subject to approval by the UAW-GM Center for Human Resources.

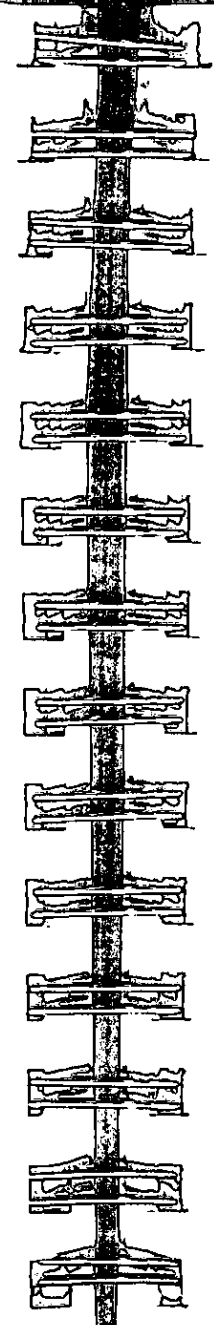
TUITION ASSISTANCE PLAN FOR LAID OFF WORKERS

Eligibility

The participant must be a UAW represented General Motors-U.S. worker on indefinite layoff, who has recall or rehire rights under the terms of the current GM-UAW National Agreement, and who had at least one year seniority as of the last day worked prior to layoff.

Courses

Suitable courses are those required for adult basic education, high school completion or high school



equivalency certification, university, college, business, trade or vocational school courses or adult education classes.

Schools

Acceptable schools are those approved by the UAW-GM Center for Human Resources including, but not limited to those generally recognized by accrediting agencies, or under governmental education agencies.

TYPE OF ASSISTANCE

The Plan will provide for tuition and compulsory fees to be paid directly to the schools providing the course in which the applicants are enrolled. There shall be no duplication of tuition fees already covered by other state or federal education assistance plans or programs. Maximum eligibility under this Plan is $8,400 of tuition assistance while on indefinite layoff. Eligibility is established by seniority as of last day worked prior to layoff as follows:

SENIORITY AS OF DATE OF LAYOFF

- 1 to 3 years — $6,400
- 3 to 4 years — $7,400
- 4 or more years — $8,400

The above specified amounts shall constitute an account upon which the worker may draw so long as the individual retains recall or rehire rights while on indefinite layoff. Certain changes in employment status will affect eligibility. If recall or rehire rights are lost under the terms of the GM-UAW National Agreement, or full-time employment is accepted that would pay wages comparable to those on the former job at General Motors, or if similar training programs are provided by a new employer, eligibility will cease. Continued eligibility will depend upon satisfactory completion of courses in which the employee has enrolled and

compliance with other provisions of the Plan. In no event shall total assistance to an employee exceed $8,400 in any four calendar year period.

TUITION ASSISTANCE PLAN FOR ACTIVE WORKERS

Eligibility

The participant must be a UAW represented General Motors-U.S. worker on the active employment rolls or on temporary layoff with seniority under the terms of the current GM-UAW National Agreement. Also included are union officials on leave under the provisions of Paragraph (109) who are functioning in positions at General Motors locations or special assigned GM-UAW employees on leave under the provisions of Paragraph (109a) who are assigned at UAW-GM facilities. Additionally, the spouse or dependent children of a deceased, active employee will be entitled to:

Spouse

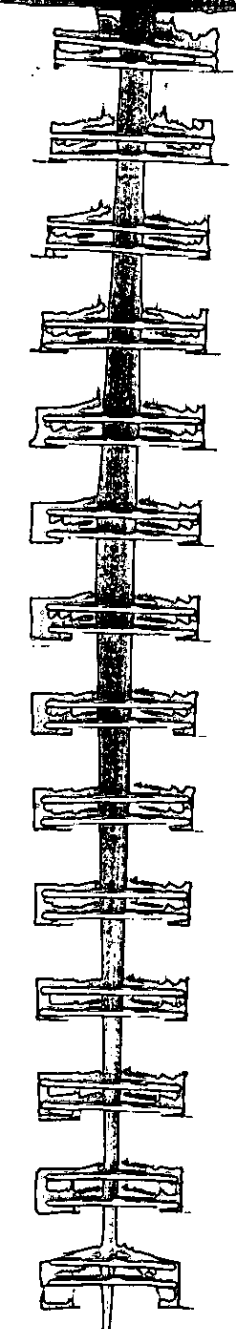
- Utilize the remaining balance of the employee's current National Agreement Tuition Assistance eligibility (excluding any advance payment) for college or educational pursuits during a period equal to the length of the present Agreement following the date of the employee's death.

- A one-time payment up to a maximum of $300 of the remaining balance may be used for jointly approved financial counseling.

The benefit is not to exceed the maximum annual benefit allowed in each year following the employee's date of death.

Dependent Children

In the event that the decedent's spouse does not use this benefit, the dependent children of a deceased, active employee will be entitled to:



- Utilize the remaining balance of the employee's current year's Tuition Assistance eligibility (excluding any advance payment) for college or educational pursuits during a period equal to the length of the present Agreement following the date of the employee's death.

Type of Assistance

The Plan will provide for tuition and/or compulsory fees to be paid directly to the schools providing the course in which the applicants are enrolled. There shall be no duplication of tuition or fees already covered by state or federal education assistance plans or programs. The following courses shall entitle individuals to those benefit levels specified below:

- $4,600 per year for courses at regionally accredited colleges or universities of which $100.00 may be used for the purchase of books.

- Advance Payment

  Employees enrolled in college degree programs through accredited institutions, who exhaust their current year tuition eligibility, may utilize up to $1,000 of the following year's eligibility to cover the present or next semester eligible expenses. This advance payment is provided only in conjunction with courses offered at regionally accredited colleges or universities on a semester or quarterly basis and is not available for job related or personal enhancement classes. Advance payment of up to $1,000 will occur automatically when the employee's request for tuition assistance exceeds the current year eligibility.

  Advance payment is not available in the last calendar year of Agreement, and does not expand total tuition assistance eligibility over the life of the present Agreement.

- $2,200 per year for other job related courses
- $1,450 per year for courses not related to the employees current job assignment through acceptable schools including those accredited by recognized accreditation agencies, those approved by Government Education or Training Programs, or certain specified others. The UAW-GM Center for Human Resources will publish a listing of approved courses of study.

In no event shall the total assistance to an employee exceed $5,600 in a twelve-month period. All courses are subject to approval by the UAW-GM Center for Human Resources.

Funding

The plan shall be funded by the Joint Skill Development and Training Committee upon approval of the Executive Board - Joint Activities.

Administration

The Plan will be jointly administered by the UAW-GM Center for Human Resources.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 18th day of September, 2003.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Henderson Slaughter	Dean Munger
Ron Bieber	Larry E. Knox
	Sharri R. Phillips

[See Par. (127)(g)]
[See Doc. 102,125]

MEMORANDUM OF AGREEMENT
Voluntary Political Contributions

It is agreed between General Motors Corporation (Corporation) and the International Union, UAW (Union) that the following understandings have been reached in connection with the Union's request to have deductions taken for voluntary political contributions from the monthly pension checks of the Corporation's hourly retirees and eligible surviving spouses.

General Motors Corporation also will continue to take deductions from the paychecks of active hourly employees in the same manner as it has in the past.

1. A designated official of the Union will furnish to the Corporation for each hourly employee, retiree, or surviving spouse for whom a deduction is to be taken, an Authorization Card, satisfactory to the Corporation, signed by the employee, retiree or surviving spouse.

Cards that cannot be processed will be returned to the designated official of the Union for correction.

2. The Union will retain exclusive responsibility for soliciting employees', retirees' and surviving spouses' participation, including expenses and compliance with the Federal Election Campaign Act.

3. With respect to retirees and surviving spouses, the Corporation will take such authorized deductions from regular pension checks monthly, and continuing monthly while such authorization is in effect, absent any conflicting legal requirements. In any case, deductions will be taken from any pension checks transmitted to the retiree or surviving spouse through regular processing but will not be made from checks prepared through special processing. Current processes for deducting from the pay of active employees will, in all respects, be unchanged.

4. A deduction not taken in one month will not be carried forward to a subsequent month. The amount that can be deducted from pension checks is limited by law. Deductions for V-CAP will be subordinate to all other deductions permitted or authorized by law if total deductions exceed legal limitations.

5. The Corporation will assume the actual costs of general administration, as part of the economic settlement of these negotiations.

6. Retirees, surviving spouses, and employees who wish to cancel their authorizations for deductions will sign a card supplied by the Union for that purpose. Refunds will be the responsibility of the Union.

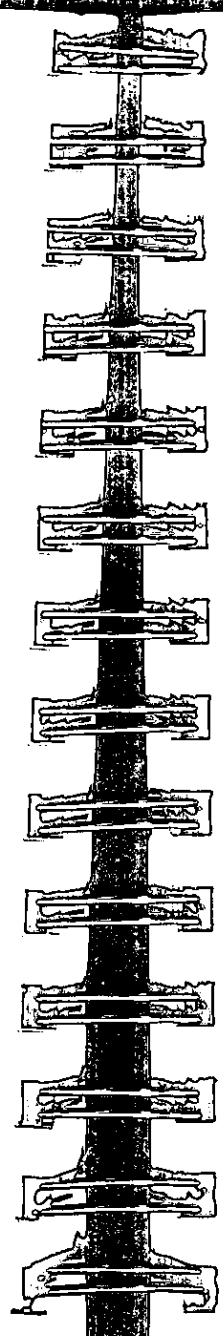
7. Designated officials of the Union will collect and forward to the Corporation, as one transmittal, all signed Authorization Cards and Cancellation Cards for the initial processing and once each month for subsequent additions, deletions, and changes.

8. The Union will indemnify and hold harmless the Corporation from any and all liability or claims arising from any claims or administrative errors resulting from the deductions provided for in this Agreement.

9. With respect to this Memorandum, the parties acted in reliance upon FECA Advisory Opinion 1981-39. This Memorandum is being entered into as part of the economic settlement with the Union. In entering this Memorandum, the Corporation reserved its right to unilaterally, following discussion with the Union, terminate its Agreement to bear the ongoing

administrative costs of processing V-CAP deductions and contributions upon discovery or the issuance of any decision, opinion, regulation, or statute by an agency, court or legislature that would call into question the lawfulness of the Corporation's assumption of these costs.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Jim Shroat	Dean W. Munger
	D. Scott Sandefur



INTERPRETATIONS, STATEMENTS, LETTERS AND THE MEMORANDUM OF UNDERSTANDING ON HEALTH AND SAFETY

(The following documents connected with the 2003 GM-UAW negotiations are not a part of the National Agreement but have been included in this booklet for information purposes.)

(See Index in the front of the Agreement Book)

Doc. No. 1

Interpretation of the Time and One-Half Provisions of the National Agreement Paragraph (85)(a) (Special Case Caused by Short Shift)

In the event an employee works more than eight consecutive straight time hours on a shift (exclusive of an unpaid lunch period) under circumstances where the present daily overtime provisions and interpretations would make the time worked in excess of eight hours on that shift payable at straight time, such time worked in excess of eight hours on that shift will be paid for at time and one-half. Any such time worked and paid at time and one-half instead of straight time, will be considered as having been paid at straight time for purposes of computing daily overtime within the 24-hour cycle in which such time worked occurs.

WORKING HOURS

Example: Special Case Caused By Short Shift

D - Calendar Day
HW - Hours Worked
ST - Straight Time
T 1/2 - Time and One-Half
DT - Double Time
PH - Pay Hours

D	FROM	D	TO	HW	ST	T 1/2	DT	PH	REMARKS
S	7:00 A		3:30 P	8			8	16	
M	6:00 A		3:30 P	9	8	6:00 A-7:00 A		9.5	
T	6:00 A		11:30 A	5.5	4.5	6:00 A-7:00 A		6	(1)
W	6:00 A		3:30 P	9	8	2:30 P-3:30 P		9.5	(2)
Th	6:00 A		3:30 P	9	8	6:00 A-7:00 A		9.5	
F	6:00A		3:30 P	9	8	6:00 A-7:00 A		9.5	

(1) Sent home or excused by Management.
(2) Under G-153 and G-208, all 9 hours would be at ST. Under the 1967 interpretation, the hour from 2:30 to 3:30 p.m. would be at T 1/2 but would be counted as a straight time hour for purposes of computing daily overtime for the 24-hour cycle from 7:00 a.m. Wednesday to 7:00 a.m. Thursday.

Doc. No. 2

Interpretation of Working Hours Section

(Delayed Starting Time on Sunday Night)

In negotiations, the Union has cited the following examples:

An employee is scheduled to start work at 12:01 a.m. on Monday and at 10:30 p.m. for the rest of the week. The first eight hours beginning at 12:01 a.m. Monday were paid at straight time.

An employee starts a week at 10:30 p.m. Monday. This shift is also worked Tuesday night, Wednesday night, Thursday night and Friday night. The shift beginning 10:30 p.m. Saturday may or may not be worked. The employee is brought in Sunday night but instead of starting at the usual time of 10:30 p.m., the starting time is delayed until 12:01 a.m. Monday. The next week is then started at the usual time of 10:30 p.m. Monday. The first 8 hours beginning at 12:01 a.m. Monday were paid at straight time.

The Corporation advised the Union that in these and similar cases, the shift that starts at 12:01 a.m. on Monday will be considered a Sunday shift and paid at double time. The employee's 24-hour cycle shall be considered to have started at 10:30 p.m. Sunday night.

[See Par. (82),(86)]

Doc. No. 3

Interpretation of Working Hours Section

(Special Double Time Case)

During negotiations the Union has cited a situation in which a third shift employee worked seven shifts in the week and received no double time under the following circumstances.

Example #1

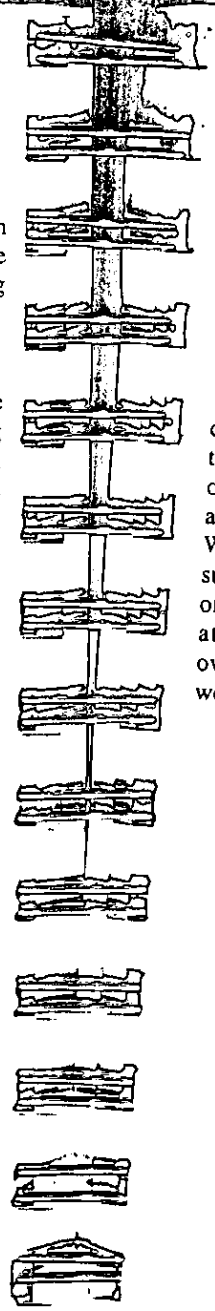
The employee worked the first five days of the week beginning each day at the regular shift starting time. The employee's sixth shift was advanced from 12:01 a.m. Saturday to 11:00 p.m. Friday and the employee then worked eight hours. The seventh shift was advanced from 12:01 a.m. Sunday to 11:00 p.m. Saturday.

Example #2

The employee worked the first five days of the week beginning each day at the regular shift starting time. Then the employee's sixth shift was advanced from 12:01 a.m. Saturday to 11:00 p.m. Friday and eight hours were then worked. The seventh shift was advanced from 12:01 a.m. Sunday to 3:30 p.m. Saturday.

The Corporation advised the Union that if this or other such cases occur where the starting time of the employee's seventh shift is advanced from Sunday to Saturday, the employee involved will be paid at double time for the hours worked by the employee on the seventh shift worked even though the shift starting time falls on Saturday.

[See Par. (86)]



Doc. No. 4

Interpretation of Working Hours Section

(Special Protracted Work Period Case)

During negotiations, the Union cited a situation in which an employee worked for a continuous period of more than twenty-four (24) consecutive hours where the hours worked in excess of twenty-four (24) were paid for at straight time.

The Corporation advised the Union that in such a case, those continuous hours worked in excess of twenty-four (24) will be paid for at the rate of time and one-half unless such hours would otherwise be paid for at a higher premium pursuant to the provisions of the Working Hours Section of the National Agreement. Any such time worked and paid at time and one-half instead of straight time, will be considered as having been paid at straight time for purposes of computing daily overtime within the 24-hour cycle in which such time worked occurs.

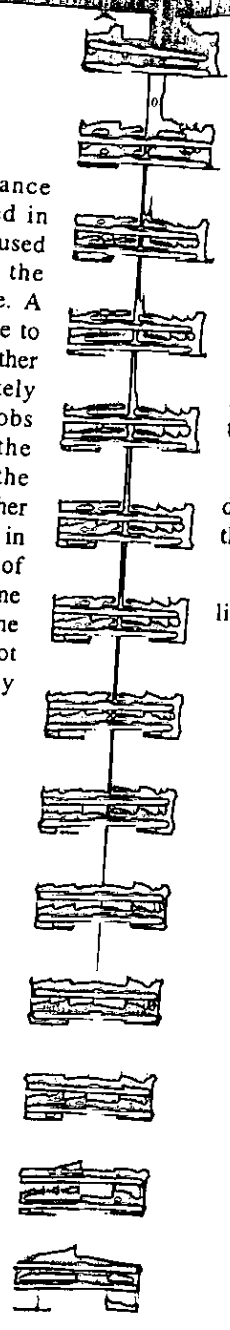
[See Par. (85)(a)-(c),(86)]

Doc. No. 5

RELIEVING EMPLOYEE FOR COMMITTEEPERSON DISCUSSION

Consistent with the purpose of the Grievance Procedure, a rule of reason should be applied in determining whether an employee should be excused from the job in order to confer with the Committeeperson handling the employee's grievance. A rule of reason should likewise be applied when, due to production difficulties, excessive absenteeism, or other emergencies, it will not be possible to immediately relieve the employee from the job. On many jobs discussion between the employee and the Committeeperson is entirely practical without the necessity for the employee being relieved. On the other hand, an employee working on a moving conveyor, in an excessively noisy area, or climbing in and out of bodies, should be permitted a reasonable period of time off the job and a suitable place in which to discuss the grievance with the Committeeperson. This shall not interfere with any local practice which is mutually satisfactory.

[See Par. (5),(19),(29)]



Doc. No. 6

UNION RACKS— OFFICIAL PUBLICATIONS

Management will provide suitable racks at the appropriate plant exits for use in distributing literature to employees who are leaving the plant. Their use will be limited to the display of official publications of the Local Union and International Union as certified to Management by the President of the Local Union, the Chairperson of the Shop Committee or International Representative prior to the placement of such material in the racks by the Union.

These racks will be placed convenient to the exits during the time major groups of employees are exiting the plant premises at shift quitting times.

It is understood the Union will discourage any littering growing out of the use of these racks.

[See Par. (92)-(93)]
[See CSA #5]

Doc. No. 7

MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

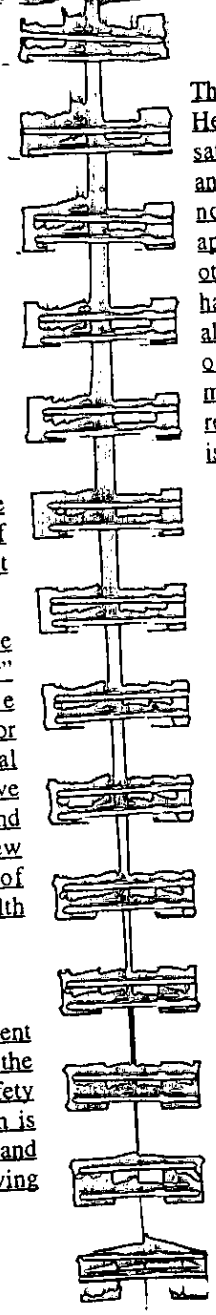
The Corporation recognizes its obligation to provide a safe and healthful working environment for employees. We are committed to protecting the Health and Safety of each employee as the overriding priority of this Corporation. The implementation of actions to help our employees realize a healthy, injury-free environment is a leadership responsibility. The Union will cooperate in the Corporation's maintaining and improving a safe and healthful working environment. The parties agree to use their best efforts jointly to achieve these objectives:

General Motors has long recognized that employees are its most valuable asset. The health and safety of employees is vital for the effective and efficient operation of the Corporation.

In recognition of that principle, the parties agreed to the "Memorandum of Understanding on Health and Safety" during the 1973 National Negotiations. The Memorandum has provided an excellent framework for the joint efforts in health and safety within General Motors. Since that time many potential hazards have been reduced or eliminated. The Local Joint Health and Safety Committees and Plant and Divisional Review Boards, provided for in the Memorandum of Understanding, are effective at resolving most health and safety concerns within plants.

UAW-GM HEALTH AND SAFETY PROCESS

It is the intent of the parties in negotiating an agreement for health and safety to consider both the needs of the Corporation and the needs of the employees with safety as the overriding priority. Success of this program is dependent upon a relationship built on mutual trust and respect, and a willingness to work jointly in resolving issues and concerns in the health and safety arena.



The parties agree that the National Joint Committee on Health and Safety is empowered to make mutually satisfactory modifications and additions to the health and safety portion of this agreement, providing they do not conflict with Federal or State regulations, or approved programs and/or language set forth in any other portion of the National Agreement. The parties have developed a joint health and safety process that allows for continuous improvement and the resolution of health and safety issues, differences, and misunderstandings. That process provides for the review and expeditious resolution of health and safety issues at various levels including:

- The Local Joint Health and Safety Committees
- Plant Safety Review Boards
- Divisional Safety Review Boards
- The National Joint Committee on Health and Safety
- Manufacturing Managers' Council

The parties recognize that Section IV of this Memorandum of Understanding describes a procedure for resolving health and safety issues arising at the plant level. Additionally, the parties agree that health and safety issues that meet any of the following criteria may be resolved in an expeditious manner using the procedure described below if the issue:

- Involves a disagreement about imminent danger
- Would significantly impact the Division or Corporation
- Involves a policy issue not already covered within the UAW-GM jointly agreed upon

policies for health and safety, and/or the National Agreement

- Is a result of new processes or technological advances

Plant Health and Safety Issue Resolution Procedure:

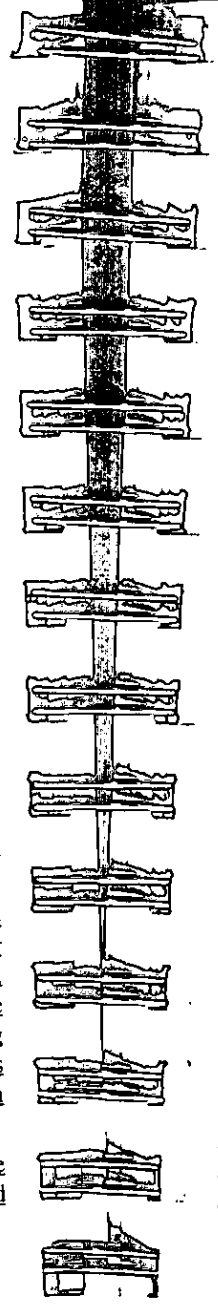
1. If a health and safety complaint remains unresolved after the special conference as described in Section IV, Paragraph (d), of this Memorandum, and Local Management has given its answer, the Chairperson may bring the issue to the Plant Safety Review Board (PSRB) for resolution.

2. If the issue is not resolved at the PSRB, the assigned UAW International Representative (for Health and Safety) and the Divisional Safety Manager may be contacted to assist in complaint resolution, provided it meets the above criteria and is reviewed with the Co-chairs of the Divisional Safety Review Board (DSRB).

3. If the issue remains unresolved, the UAW International Representative or the Divisional Safety Manager may refer it to the Co-chairs of the Divisional Safety Review Board (DSRB), provided it meets the criteria listed above. If it does not meet the criteria, it shall be referred back to the special conference as described in Section IV, Paragraph (d), of this Memorandum.

4. Once the issue has been accepted for review at the DSRB, the initiating party will not utilize any other dispute/complaint resolution process or mechanism until after resolution by the DSRB, National Joint Committee on Health and Safety (NJC), or the Manufacturing Managers' Council (MMC), or unless the issue is returned to the special conference as described in Section IV, Paragraph (d), of this Memorandum.

5. Thereafter, such concerns, if unresolved, will be referred to the Co-chairs of the NJC for review and



action. The Co-chairs of the NJC may choose to raise the issue with the MMC in a joint meeting for review and resolution.

6. Thereafter, if the parties do not reach an agreement, the issue will then be returned to the initiating party with a written statement that no agreement has been reached. The issue will be returned to the special conference as described in Section IV, Paragraph (d), of this Memorandum of Understanding for further action.

7. When an issue is resolved at the DSRB level or higher, the parties agree to document and communicate to the appropriate parties, all health and safety issues resolved at the Divisional Safety Review Board or higher.

The parties agree to continue to use the existing joint health and safety process to improve health and safety within General Motors and expeditiously resolve health and safety issues, as they arise, at the appropriate level.

It is the intent of the parties to address and resolve health and safety issues as they arise during the course of the existing contract. Utilizing this process will help fulfill the goal of both parties to resolve all Health and Safety issues as quickly as possible and not let issues linger to be resolved during local or national contract negotiations.

If either the Corporation or the International Union wish to cancel or modify the portion of the Memorandum above, it will give a sixty (60) day written notice to the other party, listing the specific reasons for termination or modification of this section of the agreement. Within the sixty days, a mutually satisfactory meeting date will be arranged. If either party terminates the agreement, the parties shall otherwise conduct themselves in accordance with the provisions of this document in effect prior to September

18, 2003. The programs and policies implemented prior to the termination of this agreement shall also remain in effect for the life of the current agreement.

I. The Corporation agrees to:

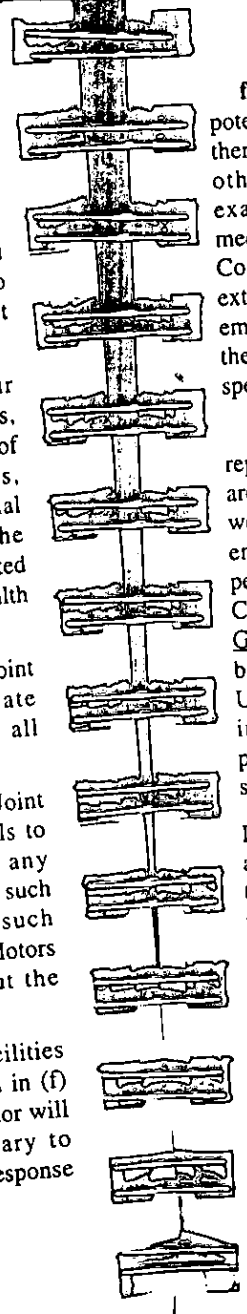
a. Provide the necessary or required personal protective equipment, devices and clothing at no cost to employees. Problems in this regard will be worked out locally.

b. Provide equipment for measuring noise, air contaminants, and air flow, including smoke tubes, which will be available for use by the representatives of the Local Joint Health and Safety Committees, established pursuant to Section III hereof. Industrial hygiene monitoring equipment authorized by the National Joint Committee will be available as requested for use by the representatives of the Local Joint Health and Safety Committees.

c. Provide training for members of such Local Joint Health and Safety Committees, and appropriate education and training in health and safety for all employees.

d. Disclose, to the co-chairs of the National Joint Committee, the identity of chemicals or materials to which employees are exposed, including any information regarding remedies and antidotes for such chemicals. Information contained in each such disclosure shall remain the property of General Motors Corporation and will not be released without the expressed written permission of the Corporation.

e. Provide competent staff and medical facilities adequate to implement its obligation as outlined in (f) below. In addition, the Corporate Medical Director will continue to provide the guidelines necessary to implement the Voluntary Emergency Medical Response Team.



f. Provide to employees who are exposed to potentially toxic agents or toxic materials, at no cost to them, those medical services, physical examinations and other appropriate tests including audiometric examinations, lung function tests, and appropriate medical surveillance as identified by the National Joint Committee on Health and Safety at a frequency and extent necessary to determine whether the health of such employees is being adversely affected. Also, to provide the specific tests required for employees in jobs with special physical requirements.

Provide to each employee upon request a written report of the results of such examinations or tests which are related to occupational exposure. These results as well as those instances where it is determined that an employee has had a personal exposure exceeding the permissible levels as set forth in 29CFR-1910.1000, Air Contaminants and GM Occupational Exposure Guidelines (OEG), will be reviewed with the employee by the plant medical department prior to their release. Upon the employee's written request, copies of such information will be forwarded to the employee's personal physician. Problems regarding this procedure should be brought to the attention of Management.

In addition, in those instances where a breathing zone air sample is collected the employee will be notified of the results which will be entered on the employee's medical records.

g. Utilize UAW-GM CHR Health and Safety to coordinate requests from Plant Management, the Local Shop Committee, the Local Joint Health and Safety Committee, or the National Joint Committee for plant surveys. Reports generated from such surveys will be reviewed by the National Joint Committee.

h. Provide access, upon reasonable notice, to all Corporation plants and locations to International Union

Health and Safety Representatives. Upon request, reports on such surveys will be provided to the Corporation.

i. Arrange for UAW-GM CHR Health and Safety to compile OSHA "Summary of Occupational Injuries and Illnesses" as it is now constituted, along with the total employee hours worked and incidence rate for each plant for the comparable period. Such information will be provided to the National Joint Committee.

j. Direct Local Management and Local Joint Health and Safety Committees to provide prompt notification of fatalities, serious accidents or incidents including chemical spills, having potential for serious injuries or illnesses to the National Joint Committee. After making appropriate arrangements, a prompt investigation may be made by a team from UAW-GM CHR Health and Safety in accordance with the "Special Review Board" procedure.

II. The National Joint Committee on Health and Safety has four (4) representatives of the International Union and four (4) representatives of the Corporation. Each party will appoint at least one (1) member who has professional training in industrial hygiene or safety. This National Joint Committee shall:

a. Meet at least quarterly at mutually agreeable times and places. A summary listing of the items discussed at the meetings will be provided.

b. Review the Corporation's safety and health programs and make timely recommendations.

c. Develop an appropriate training program to be established for Union members of the Local Joint Health and Safety Committee. Annual training programs agreed to by the National Joint Committee will be

provided to the Local Joint Health and Safety Committees so that they may perform their functions satisfactorily. In addition, they will receive specialized training appropriate to the operations in their respective units. The National Joint Committee will be provided the opportunity to review, approve and participate in such training or instruction programs.

d. Develop guidelines for employee training and education.

e. Review and analyze federal, state or local standards or regulations which affect the health and safety programs within the Corporation.

f. Review problems concerning serious or unusual situations affecting plant health and safety and make timely recommendations.

g. Review and analyze the health and safety data for all plants that the Corporation is now required to compile on OSHA "Summary of Occupational Injuries and Illnesses" and Form 300S as they are now constituted.

h. Receive and deal with matters referred to them by Local Joint Health and Safety Committees. Reports, studies, etc., may be submitted to the National Joint Committee. The Local Joint Health and Safety Committees may request the National Joint Committee to evaluate and/or interpret the reports, studies, etc. The National Joint Committee will normally respond within thirty (30) days from receipt of such request.

III. A Local Joint Health and Safety Committee will be established in each bargaining unit.

Each such Local Joint Health and Safety Committee will consist of one (1) representative appointed by the Corporation and the representative(s) appointed by the Director of the Union's General Motors Department.

The Union member(s) shall serve an indefinite term. The Union member(s) will receive, without personal cost, adequate and necessary training, to enable the effective performance of assigned functions.

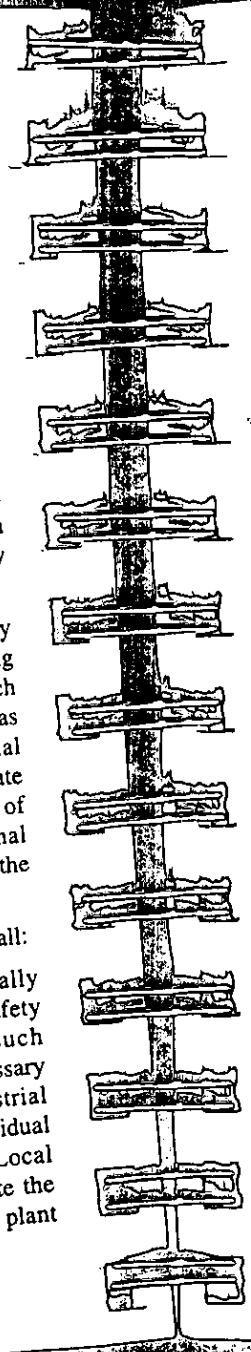
Health and safety functions, at plants where there are no provisions for a Health and Safety Representative, may be performed by the Chairperson of the Shop Committee in addition to the other functions of a Committeeperson.

Local Joint Health and Safety Committees that have members on different shifts in accordance with Document 46 may have such members attend mutually agreed upon meetings. The Local Parties will allow the alternates for such members to handle current Health and Safety issues arising during the absence caused by the regular member's attendance at such meetings.

In the event that a Local Union Health and Safety Representative is absent for one day or more, including attendance at the annual joint training conference, such representative will be replaced by an employee who has been designated as the alternate by the International Union. As soon as practical following the effective date of this Agreement, the Vice President and Director of the General Motors Department of the International Union shall provide to the Corporation the names of the employees so designated.

The Local Joint Health and Safety Committees shall:

a. Meet at least once each month at a mutually agreeable time and place to review health and safety conditions within the plant and make such recommendations in this regard as they deem necessary or desirable. In those locations where an Industrial Hygiene Technician has been appointed, that individual will attend the regular monthly meeting. The Local Joint Health and Safety Committee will coordinate the activities of all appointed safety personnel at its plant



(e.g., Industrial Hygiene Technicians, Ergonomic Technicians, etc.). Periodically the Local Health and Safety Committee will review the associated functions performed by International and local appointees (e.g., Industrial Hygiene Technicians, Ergonomic Technicians, etc.) to ensure effective utilization of human resources and eliminate duplication of assignments. Discussion should include concerns from all areas of health and safety brought to the attention of the Local Joint Health and Safety Committee.

b. Make a health and safety observation tour once each two weeks. Prior to such observation tours, a review may be made of OSHA Form 300 accident experience. Investigate promptly major accidents as defined by the National Joint Committee. Receive prompt notification of any employee fatalities or serious accidents resulting from work-related injuries. When such events occur during the 2nd or 3rd shift, the Management member of the Local Joint Health and Safety Committee will notify the Union member, inform the representative of the facts, and arrange upon request, for the representative to enter the plant and investigate such events.

c. Be informed in advance, when possible, and have the opportunity to accompany Federal and State OSHA Governmental Health and Safety inspectors on compliance inspections. Accompany International Union, Corporate or professional Health and Safety consultants retained by the Corporation, including insurance inspectors, on regular surveys and those surveys requested by the Union. A copy of such reports will be provided, upon request, to the Local Joint Health and Safety Committee regarding alleged violations of applicable local, state or federal code or standard violation. The parties acknowledge that information contained in such surveys may be inaccurate or unfounded.

Additionally, General Motors will notify the Local Joint Health and Safety Committee whenever a plant contracts for Industrial Hygiene or related services concerning in-the-plant environmental conditions where there are reasonable concerns the conditions are having an adverse health impact on employees.

Copies of any reports received from these surveys will be provided to the Local Joint Health and Safety Committee. Copies of reports will be forwarded to the co-chairs of the National Joint Committee by the Local Joint Health and Safety Committee.

Reports and/or results of such surveys shall be for the use of the Local Joint Health and Safety Committee or the National Joint Committee.

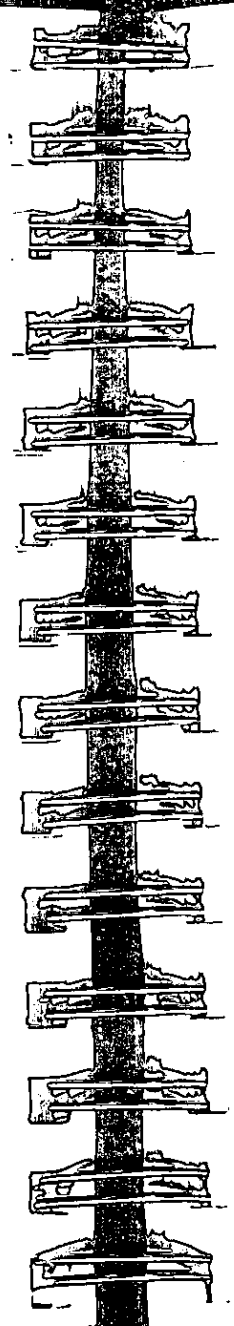
Information contained therein shall remain the property of General Motors Corporation and will not be released without the expressed written permission of the Corporation. Advance arrangements should be made to permit participation in such surveys.

The Union does not waive any rights provided by federal or state law by such accompaniment.

d. Review lost time incidents and other major incidents, as defined by the National Joint Committee which occur in the work place and also review plant safety reports on such incidents and make any necessary or desirable recommendations.

e. Receive a copy of the plant's report on OSHA "Summary of Occupational Injuries and Illnesses" and the facilities total - employee hours worked and the incidence rate for the comparable period.

f. Review Incident Investigation forms which would include an analysis to determine the root cause so that appropriate corrective actions can be developed.



g. Review, recommend, approve and participate in local safety education and information programs and employee job related health and safety training

h. Where necessary, measure noise, air contaminants, and air flow with equipment provided by the Corporation and observe the use of appropriate industrial hygiene and safety testing equipment as required when available in the plant.

i. The Local Joint Health and Safety Committee will be provided copies of photographs taken which relate to health and safety matters in the plant, who will forward them to the co-chairs of the National Joint Committee, if appropriate. Such photographs (including video tapes, etc.) shall be for the confidential use of the Local Joint Health and Safety Committee, the National Joint Committee or the GM Department of the International Union only and shall not be reproduced, published and distributed in any way without the expressed written consent of General Motors Corporation.

j. Be advised of breathing zone air sample results and known physical agents or chemicals to which employees are exposed and protective measures and applicable emergency procedures. In addition, whenever it is determined that an employee has had a personal exposure exceeding the permissible level as set forth in 29CFR-1910.1000, Air Contaminants, and GM Occupational Exposure Guidelines, the Local Joint Health and Safety Committee and the National Joint Committee shall be informed in writing of such exposure and the corrective action to be taken.

k. When either member of the Local Joint Health and Safety Committee has a reasonable basis for concluding that a condition involving imminent danger exists, relevant information shall be immediately communicated to the co-committee member so that joint investigation can be carried out immediately and

process of consideration of higher level controls such as elimination or engineering before administrative procedures or personal protective equipment.

The Corporation shall continue to recognize its obligation to provide a safe and healthful working environment for employees during working hours. The Union will cooperate with the Corporation's efforts to fulfill its obligations. To implement and coordinate these principles, a National Joint Health and Safety Committee (NJC) and Local Joint Health and Safety Committees have been formed, trained and empowered to function dealing with a broad range of the subject matter. Included in this Attachment "A" to the Memorandum of Understanding is a Divisional Safety Review Board process designed to enhance Health and Safety awareness and compliance across General Motors operating divisions, and a Plant Safety Review Board (PSRB) process designed to review the unit's health and safety performance and monitor the implementation of its health and safety programs. The parties continue to recognize their roles and responsibilities, for assuring that all General Motors employees have safe and healthy work environments. The function of the NJC and the LJHSC should be technically constructive and problem resolution oriented.

In keeping with the purpose and intent of this Memorandum of Understanding and other related health and safety documents contained herein, the Union reaffirmed its commitment to communicate to its members the need to utilize the internal processes available to resolve health and safety matters.

The parties recognize that a joint commitment must be directed toward achieving a safe and healthy workplace. Therefore, it shall be the responsibility of the NJC, as the mechanism, to guide in an appropriate direction.

The parties have resolved the health and safety issues raised during these negotiations as follows:

II. CORRECTIVE COUNSELING

General Motors recognizes the responsibility of management to provide appropriate training, leadership, counseling and corrective action as necessary to eliminate unsafe practices or conditions from the workplace. Management and the LJHSC shall provide appropriate technical resources, safe practice instructions, support training and counseling. Unsafe practices or conditions that are observed normally require prompt action. Management so notified and/or observing such unsafe practices or conditions should take appropriate action promptly and document such action. The LJHSC will assist in counseling employees regarding audiometric testing, blood lead, pulmonary function testing, etc. Action taken to improve safety performance of employees should be documented and copies retained by the LJHSC on a permanent basis.

III. REVIEW BOARDS

The parties are committed to the continuous improvement of employee health and safety. The joint process developed between the parties has positively impacted this commitment. In order to place further emphasis on the implementation of the joint process and to enhance communication and resolution of health and safety issues throughout the respective divisions/platforms, each operating organization will implement a Divisional Safety Review Board. Each Board will consist of the Divisional Manufacturing Manager, a designated UAW administrative individual assigned to UAW-GM CHR Health and Safety and appropriate support personnel (or other similar arrangement approved by the NJC). Also, the GMNA Manufacturing Engineering organizations involved with Ergonomics and Design-In activities will also establish a

necessary or desirable recommendations made. Upon joint recommendation, the machine or operation will be taken out of service to perform any and all corrective action.

l. The Corporation informed the Union that a management and a union member of the Local Joint Health and Safety Committee will become members of the local Plant Hazardous Materials Control Committee. Additionally, the Industrial Hygiene Technician, where established, will be added to the membership of the Hazardous Materials Control Committee.

IV. Complaint Procedure

a. Each District Committeeperson shall conduct a safety observation tour of their district one weekday each week for the purpose of examining health and safety conditions. The Committeeperson may call for the Union representative of the Local Joint Health and Safety Committee to take measurements of noise, air flow and chemical exposure utilizing equipment authorized by the National Joint Committee where appropriate training has been completed. The District Committeeperson will discuss with the supervisor and, failing successful resolution, with higher supervision, any problems which the Committeeperson feels requires correction. Every reasonable effort shall be made to settle the complaint at this point through discussion. If the problem remains unresolved, the Committeeperson may complete a "Health and Safety Complaint Form" in writing, in quadruplicate, which will include a statement of all the facts of the complaint.

b. Complaints by employees concerning health and safety issues may be taken up in accordance with Paragraph (29) of the National Agreement with the understanding, however, that the Committeeperson, if called, will discuss the matter with the supervisor and, failing resolution, with higher supervision. If the matter

is still not resolved, the Committeeperson may complete a "Health and Safety Complaint Form," as described in (a) above.

c. The member of higher supervision will give Management's answer promptly in writing on the "Complaint Form." The Committeeperson will give to higher supervision two (2) copies of the "Complaint Form" and transmit one (1) copy to the Union representative of the Local Joint Health and Safety Committee.

d. The Local Joint Health and Safety Committee will within two (2) working days visit the area where the complaint arose and observe the conditions complained of. Within a maximum of three (3) working days from the day of their visit, the Local Joint Health and Safety Committee will answer the complaint in writing. A unanimous decision by the Local Joint Health and Safety Committee will settle the issue. Failing such unanimous decision, the complaint will be discussed at a special conference attended by the Union and Management members of the Local Committee, the Chairperson of the Shop Committee or the Chairperson's designated representative, and another member of Management. If the parties are unable to resolve the complaint in the special conference, the complaint will be answered by Local Management within five (5) working days. Thereafter, Paragraph (37) of the National Agreement will be applicable. Thereafter, the regular Grievance Procedure of the National Agreement will be applicable.

e. Health and safety complaints affecting substantial groups of employees may be initiated by the Health and Safety Representative. To do so, the representative shall submit a completed "Health and Safety Complaint Form" to the Chairperson of the Shop Committee. Should the Chairperson of the Shop Committee, upon

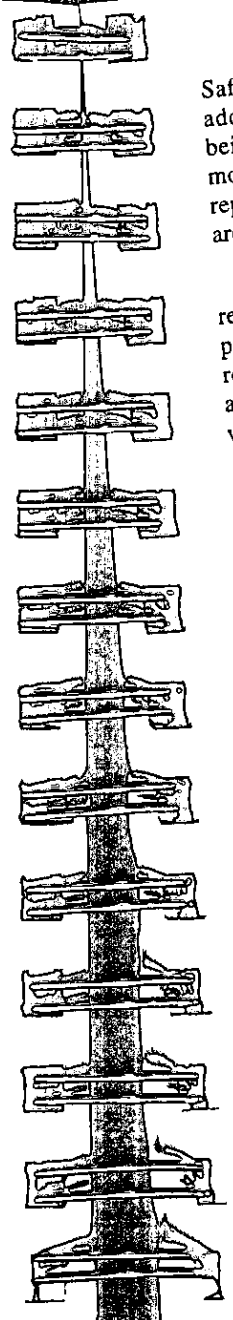
investigation of the complaint, determine that the complaint has merit, the Chairperson shall sign the form and present it to Management in a special conference as outlined in IV (d) above within five (5) working days.

V. Nothing herein shall be construed to restrict any employee's rights under Section 502 of the Labor-Management Relations Act, 1947, as amended.

VI. No provision herein will restrict the right of the Chairperson of the Shop Committee, Zone Committeepersons or District Committeepersons to perform their functions under the terms of the National Agreement and locally negotiated agreements.

A Health and Safety Representative, who is appointed by the International Union, shall have only the duties and functions as set forth in this Memorandum and attachments dealing with Health and Safety. Such representative shall be subject to the provisions of the following paragraphs of the National Agreement: Paragraphs (17), (19), (20), (21a), (21c), (22), (22a), (22b), (23), (23a), (24), and (27). Although it is recognized that they are not Zone Committeepersons, during regular hours the Health and Safety Representative shall be paid and shall be scheduled to report at the plant for Health and Safety representation purposes in the same manner as a Zone Committeeperson, with a designated Health and Safety representation area on the representative's shift as the zone. During other than regular hours, the representative will be scheduled to report for Health and Safety representation purposes as follows:

a. During overtime, part-time or temporary layoffs, or inventory when three hundred (300) or more or fifty percent (50%) or more of the people on the representative's shift in the representative's Health and



Safety representation area are scheduled to work. In addition, when new equipment and/or processes are being installed or tried out and one hundred (100) or more of the people on the representative's shift in the representative's Health and Safety representation area are scheduled to work.

b. During shutdown for model change, or for plant rearrangement when one hundred (100) or more of the people on the representative's shift in the representative's Health and Safety representation area are working on model change or plant rearrangement work.

During overtime hours, when less than three hundred (300) or less than fifty percent (50%) of the people on the representative's shift in the representative's Health and Safety representation area are scheduled to work, they will not function pursuant to this Memorandum of Understanding. The representative will be scheduled to function as a Health and Safety Representative when work is otherwise available in the representative's equalization group in accordance with Paragraph (71) of the National Agreement.

Finally, nothing in this memorandum of understanding, the attachments hereto, various policy letters on health and safety, or the joint health and safety training materials is intended nor should it be taken to impose upon the International Union, Local Unions, Union Health and Safety Committees, Union Officials, employees or agents, a legal or financial liability for either the health and safety of General Motors employees or for work connected injuries, disabilities, diseases or related losses incurred by employees of General Motors or its subsidiaries or by third parties while on the property of General Motors or its subsidiaries.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Henderson Slaughter	Dean W. Munger
Tom Weekley	Cheryl A. Ollila
	J. Mike White

See Doc. 7,Att.A;46;74;76;122;105;139]
[See CSA #19,#22]

ATTACHMENT "A" TO THE MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

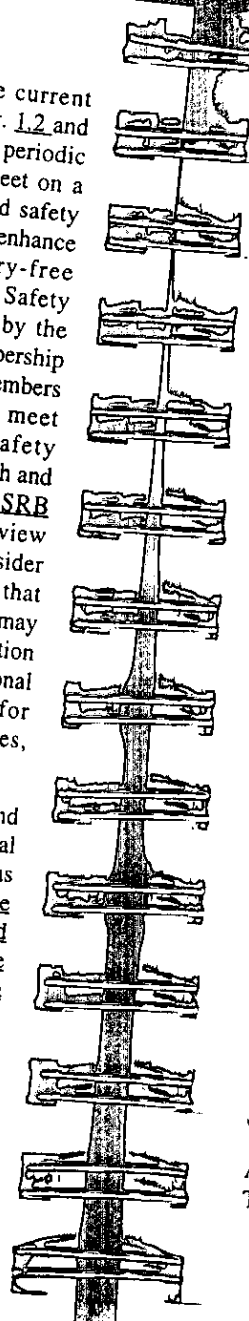
I. INTRODUCTION

The UAW and General Motors have for many years been proud leaders in adopting and effectuating policies designed to resolve employee health and safety problems and to promote a more healthful and safe work environment. To this end, the UAW and General Motors have entered into the following Memorandum of Understanding which embodies the spirit of the concern shared by the UAW and General Motors for the health and safety of employees. The parties recognize that the UAW and General Motors leadership have demonstrated a visible commitment to protecting employees from work place hazards that resulted in a significant reduction in injuries and illnesses. The Plant Safety Review Boards (PSRB), which consist of the joint local leadership and the Local Joint Health and Safety Committee (LJHSC) at each location have received leadership training in health and safety. This jointly developed course, entitled UAW-GM Health & Safety Leadership Training, covered roles and responsibilities and resulted in the establishment of a leadership driven safety process. This training was subsequently extended to other members of plant leadership including supervisors and committeepersons. The parties are committed to jointly work toward a safer workplace through the joint involvement of all employees, and have developed general awareness training for hourly employees that included an overview of the health and safety leadership process and associated responsibilities.

The Corporation and the UAW have worked jointly in an innovative manner to identify and correct potential hazards. The process used to correct potential hazards is the "Hierarchy of Controls", which describes the

similar Review Board process to summarize current ergonomics status including a review of GM Erg. 1,2 and modifications resulting from the Corporation's periodic revision of this document. Each board shall meet on a regular basis and consider appropriate health and safety matters within the respective division. To further enhance joint efforts to achieve a healthy and injury-free workplace, the parties agree to establish Plant Safety Review Boards. The PSRB will be co-chaired by the Plant Manager and Shop Chairperson and the membership shall consist of the Local Shop Committee and members of the Plant Manager's staff. The PSRB will meet monthly to review the unit's health and safety performance and monitor implementation of its health and safety programs. The LJHSC will attend all PSRB meetings. In addition, the Divisional Safety Review Board and the PSRB may request the NJC to consider projects, studies, training, and other such matters that pertain to employee health and safety. Also, the NJC may seek advice from and may consider for implementation the health and safety needs expressed by the Divisional Safety Review Board and the PSRB, including for example, special funding requests, projects, studies, training and other employee health and safety matters.

The parties are committed to preventing fatalities and serious injuries. In furtherance of this interest, a Special Review Board meeting will be convened at such time as appropriate upon the request of the NJC. The purpose of the Special Review Board will be to recommend improvements in safety and health practices. The primary tool to accomplish this objective will be a complete safety hazard analysis of the job or operation at issue. This analysis will be conducted by a joint team from UAW-GM CHR Health and Safety, especially trained in analytical techniques. An action plan will be developed by the Special Review Board for the Group or Division involved. Senior Operating Management will assess the implementation and progress of the



action plan after an appropriate lapse of time as established by the Special Review Board.

The Special Review Board will consist of members of the NJC, UAW-GM Department Servicing Representatives, the Local Chairperson, the Plant Manager and the Manufacturing Manager for the affected unit. The LJHSC, and/or other officials or resources, as deemed appropriate by the NJC, may be invited to attend as observers. The Special Review Board will meet at a site designated by the NJC. The NJC will provide technical support for the Special Review Board's efforts. The Special Review Board will normally convene one week after notification by the NJC, and issue its recommendations within two weeks after concluding its review.

IV. FINAL REPORT

A video taped report may be prepared at the request of the Special Review Board. The purpose of the report is to convey factual information and recommendations. The presiding Manufacturing Manager on the Special Review Board will be responsible for arranging to have the interim written and/or video report presented to the next scheduled GM Strategy Board. A final report will be released to the plants following the review.

Any video tape produced as a result of the request by the Special Review Board will be reviewed and approved by the Special Review Board before release to the UAW-GM Leadership or the plants. All such information, video tapes, etc., shall remain the property of General Motors and will not be released without General Motors' expressed written permission.

V. VIDEO FILMING AND REPORTS

A video camera will be provided for use by the LJHSC. The operation or job site may be videotaped, without

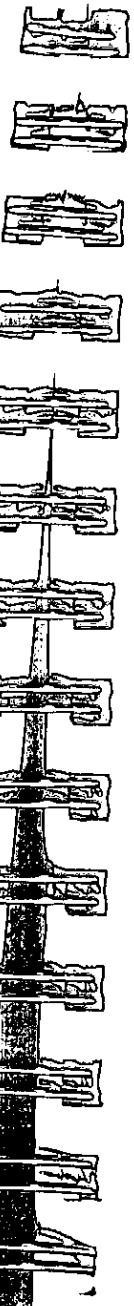
comment, for informational purposes. This equipment will be operated under the direction of the LJHSC. Any video tape made of a job or operation will not be copied or released except under the direction of the Special Review Board. A confidential copy edited to remove proprietary and/or other restricted information will be provided to the GM Department of the International Union upon request.

VI. JOINT RESEARCH AND OCCUPATIONAL HEALTH ADVISORY BOARD

The NJC will be responsible for evaluating the need for research based on its need, practicability and recognized benefits. The results of research conducted within General Motors facilities will only be used for purposes specifically authorized by the NJC.

The NJC will make recommendations for research and requests for funding of specific projects to the Executive Board - Joint Activities. Such recommendations will include details as to facilities, length of project, funding, etc. Upon their agreement and approval, the Executive Board - Joint Activities will allocate and monitor the expenditure of funds. Funding, which will be provided from joint health and safety funds, will not exceed $7.5 million for anticipated Research Projects for the duration of this Agreement.

To assist the NJC on health related research activities, the Corporation and the UAW have established the Occupational Health Advisory Board (OHAB). The function of the Board is to advise the NJC in implementing its research agenda. Board activities and those of its consultants or specialists will be supported by joint funds. The Board will consist of a maximum of five (5) recognized specialists in the fields of occupational health consistent with the research agenda approved by the NJC. The selection of Board members, terms of



office and operating procedures will conform to the Board's charter as established and amended by the NJC. Additionally, as needed, the NJC will retain consultants who are recognized specialists in occupational health and safety to function as independent peer reviewers. These consultants will be responsible directly to the NJC and assist and advise on matters stipulated by the NJC. The number of consultants and the terms of their retention will be determined by the NJC and the scope of its research program.

The NJC will institute, review and, as necessary, revise operating procedures and guidelines for its research program and consultants to improve the research process, and enhance communication pertaining to sponsored research. Included in the guidelines will be core criteria to assess proposed research in terms of its potential impact on worker health and safety, the established need for such study, its practicability, as well as the recognized benefits and probability of success. Where warranted, and based on confirmed results of sponsored studies, the NJC will devise an action plan and make appropriate recommendations to the Corporation.

VII. ERGONOMICS

General Motors and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America recognize that Ergonomically-related MusculoSkeletal Disorders (EMSDs) are occupational illnesses present in the automobile industry.

The parties also recognize that the control of EMSDs is a complex issue often requiring the application of a number of different control methods and technologies that may differ from operation to operation. These include an ergonomically appropriate design, along with

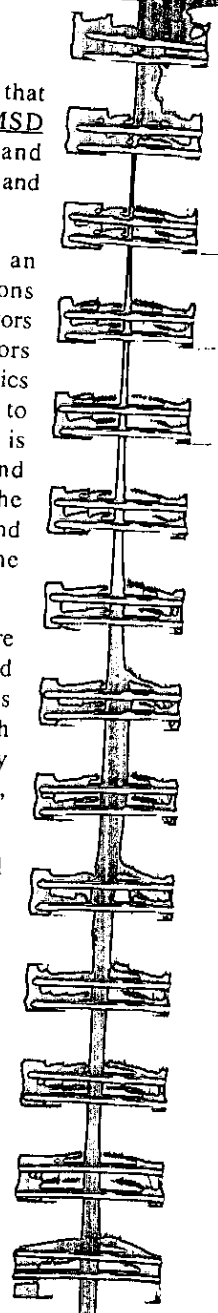
feasible engineering and administrative controls that materially reduce or eliminate job related EMSD stressors, employee and supervisory training and education, early recognition of the problem, early and proper medical diagnosis, treatment and care.

General Motors will continue to administer an Ergonomics Program at UAW represented locations utilizing guidelines established between General Motors and the International Union, UAW. General Motors recognizes the accomplishments of the joint ergonomics process and realizes the need for continued efforts to further reduce work-related EMSDs. General Motors is committed to progressively pursue improving and enhancing the current process with the UAW. The purpose of the program is to deal cooperatively and constructively with the problem of EMSDs in the workplace.

General Motors re-committed to fixing jobs that are identified as presenting a corresponding and documented risk of employee injury. The parties recognize that effective corrective action for jobs which present a documented risk of injury, require the timely use of sound judgment in combination with training, experience, and the following:

- Analysis results from the risk factor checklist and secondary analysis tools (when utilized)
- Injury/illness history of both the job and the worker
- The history and future plans of the job

Also, seats, chairs and mats can be considered appropriate solutions to control specific ergonomic risk factors. The Corporation agrees to leave such devices in place when they are provided in accordance with the guidelines in the UAW-GM risk factor checklist.



The PSRB has the responsibility for supervising and supporting the ergonomics program. In plants with 750 or more employees, the parties will establish a Joint Ergonomics Technician Team, which will be comprised of one full-time UAW Technician and one GM Management Technician. In addition, plants with 2,000 or more employees will supplement the Joint Ergonomics Technician Team with a second full-time UAW Technician. In plants with less than 750 employees, the PSRB will identify the resources to be trained to perform the responsibilities of the Joint Ergonomics Technician Team, as needed, and to administer the Ergonomics Program. Plant Safety Review Boards in plants with 4,000 or more employees can petition the NJC for an additional UAW Technician based on the level of activity required to meet the needs of the Ergonomics Program in the plant. Plants with 750 or more employees that do not experience enough ergonomic activity to sustain the level of resources agreed upon can also petition the NJC for a variance. Any petition must be based on the level of sustained activity required to meet the requirements of the Ergonomic Program for that plant. In addition, the Joint Ergonomics Technician Team at any location can request additional interim resources when the ergonomic needs of the plant exceed what the Joint Ergonomics Technician Team can be reasonably expected to accomplish in a timely fashion. Such requests will be reviewed and approved by the PSRB. The local parties may refer unresolved issues or concerns to the NJC.

The NJC has established selection criteria for the Joint Ergonomics Technicians. The UAW Technicians will be selected from the local workforce and appointed to the position by the Vice President and Director of the General Motors Department of the International Union.

The responsibilities of the Joint Ergonomics Technician Team will include, but not be limited to, the following:

- Participating in the "Design-in" Process
- Conducting job analysis
- Providing recommendations for corrective action
- Monitoring the implementation of job improvements
- Conducting review and follow up
- Reporting monthly to the Plant Safety Review Board

The Joint Ergonomics Technician Team will coordinate their efforts with the LJHSC, and resources from appropriate departments; e.g., Medical, Engineering, Skilled Trades, and Production, will be made available to support the Joint Ergonomics Technician Team. The Joint Ergonomics Technician Team will report monthly at each PSRB and LJHSC meeting and keep minutes specific to ergonomics. Quarterly reports will be provided to the LJHSC, the PSRB, and the NJC. The status of the ergonomics process for each facility will be reviewed at the Divisional Safety Review Board meeting with assistance from the Ergonomic Managers. Discussions concerning significant problems or roadblocks will take place at these meetings.

The parties agreed to use the jointly developed process for the use of outside consultants in situations where in-house efforts concerning reduction of job EMSDs are not successful. The consultant's reports will be made available to both the Joint Ergonomics Technician Team and the co-chairs of the NJC.

Based on the results of the job analysis program, each facility shall implement feasible measures to control EMSD risk factors. The Joint Ergonomics Technician Team, in conjunction with input from the

workers, engineering, supervision, skilled trades and others, as appropriate, will make recommendations for corrective actions in accordance with the current ergonomics process. Once it is determined through the agreed upon ergonomics process that a job requires correction, recommendations for corrective action will be developed using the results of the jointly agreed upon analysis tools. GM Erg. 1.2 may be referenced for information regarding areas for potential improvement. GM Erg. 1.2 is currently undergoing revision and will undergo future revisions as deemed appropriate by the Corporation. A good-faith effort will be made to accomplish correction of identified EMSD hazards at a particular job or work station within six (6) months, after the Joint Ergonomics Technician Team determines that corrective action is required. The parties acknowledge that there may be times when it may take longer than six (6) months to make the proper correction, and those reasons need to be documented. The corrective action will include any combination of the following:

Engineering controls such as design, selection, location and orientation of tools, parts and equipment will be used.

Administrative controls (e.g., job enlargement, job rotation, and appropriate job assignment) will be used in the following manner: as interim abatement measures pending engineering changes, when engineering changes are determined to be insufficient to significantly reduce the EMSD stressors, and in those instances when an administrative control is the most effective fix among the possible choices for corrective actions.

The PSRB will monitor the corrective actions being implemented and any unresolved issues or concerns can be referred to the NJC.

General Motors will inform and instruct affected employees on the controls implemented at their work station and how they are to be used.

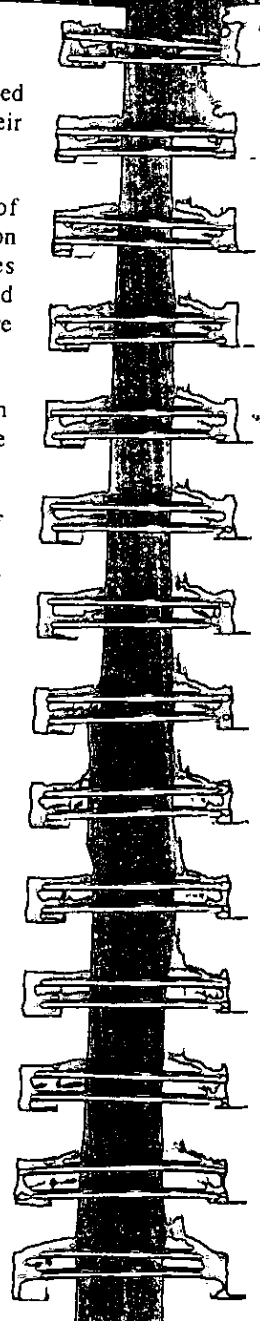
The facility will maintain documentation of modification activity, including the job or work station identified for modification, number of employees affected, the nature of modification, the projected completion date, the actual completion date and, where available, the cost of the modification when completed.

Plants and facilities will include "ergonomics" in their planning process and this information will be available to the Joint Ergonomics Technician Team.

General Motors recognizes the importance of identifying and addressing ergonomic issues early in the development process and values the importance of receiving input from plant ergonomic personnel. Input from the Joint Ergonomic Technician Team on site specific ergonomic issues and practices will be provided to the design process at the earliest appropriate planning/design stage. This will include new technology, new products and new processes.

The NJC will establish a joint committee consisting of UAW International Representatives and Divisional Ergonomics Managers to develop the Ergonomics Design Process (EDP-21). EDP-21 will be modeled after the Safety-21 process. The EDP-21 will define the involvement of the JETTs at the appropriate stage, early in the design process. This team will also jointly review Corporate Ergonomics design guidelines associated with the EDP-21. It is understood that final design decisions are the responsibility of the Corporation.

To further enhance the effectiveness of the ergonomics program, the parties have agreed to include a Quick Response Process to facilitate early



identification of potential ergonomics problems. The Quick Response Process will be conducted according to guidelines established between General Motors and the International Union, UAW. To facilitate the Quick Response Process, employees will be encouraged by all levels of plant floor supervision, Joint Ergonomics Technician Teams and the Medical Department Staff, to report early signs and symptoms of EMSDs to the facility's Medical Department. The Ergonomics Evaluation Process, as referenced in the implementation guidelines, will be applied to all jobs meeting any of the following criteria: ergonomics-related occupational medical visit, ergonomics-related Worker Compensation and work-related sickness and accident data, or referral to the JETT. A list of jobs in the process will be maintained relative to the above inputs. Job analysis will be conducted using the UAW-GM Risk Factor Checklist, as a first level screening. A good-faith effort will be made to conduct the Ergonomics Evaluation Process within two (2) months of when a job is identified by the above noted criteria. Job analysis and redesign will include input from employees whose jobs are affected. All jobs where controls are implemented and/or corrective actions are completed must be re-analyzed to confirm sufficient reduction of risk factors.

The supervisor will provide an Ergonomics Symptoms Questionnaire and Evaluation Record form to employees upon request and will encourage them, during their safety talks, to utilize the process. Completed forms will be forwarded to the JETT.

In order to identify elements of skilled trades jobs that require necessary ergonomic interventions, the UAW-GM Center for Human Resources, under the guidance of the NJC, will coordinate the development of specialized methods and/or tools to effectively and efficiently analyze skilled trades jobs. Thereafter, each

facility will analyze all skilled trades job classifications using the NJC approved methodology.

The joint parties will provide appropriate training for the Joint Ergonomics Technician Team as well as other resources responsible for conducting the ergonomics process at each facility. This training may include Practical Ergonomic Training (PET) with the understanding that any person receiving PET may conduct a first level job analysis using the UAW-GM Risk Factor checklist. Jointly selected GM ergonomics design guidelines will be included in training for JETTs.

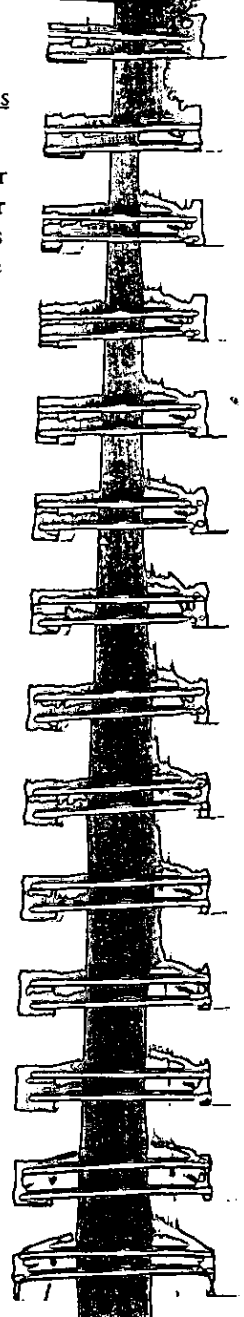
The UAW-GM Ergonomics Awareness Education and Training Program will continue to be provided for newly hired employees as well as employees returning to work from an extended leave, who have not received awareness education and training previously.

All newly hired and transferred employees will be informed on the proper use of the tools and equipment required to be used in the performance of their assigned duties.

General Motors shall annually review with employees the application of ergonomic principles to the prevention of EMSD on their jobs during regular safety talks.

The parties agree to continue to maintain a Medical Management Program for the early detection, evaluation, and treatment of EMSDs at all UAW-GM facilities. The Medical Management Program will provide for common medical practice guidelines for patient evaluation and treatment, follow-up, workplace walk-throughs, and restricted work placement.

General Motors agrees to continue implementation of a EMSD Education and Training Program for medical



physicians (including contract personnel) that render medical services related to EMSD. The introduction in this training includes the effect of poor job design, identifying problem jobs, and potential solutions based on ergonomic stressors. This training also includes medical instruction and early recognition, evaluation, treatment, and prevention of EMSDs. All medical personnel (including contract personnel) will receive EMSD education and training prior to rendering medical services related to EMSD. The Corporate Medical Director and staff will ensure that appropriate EMSD training has been provided and their training plans for medical staff will be reviewed with the International Union, UAW on an annual basis.

General Motors shall authorize Medical Department personnel to attend education and training conferences that address EMSDs, including but not necessarily limited to regional conferences, teleconferences, and Corporate conferences. Where practical, conference proceedings will be videotaped and made available to medical personnel who do not attend the conference.

General Motors will audit a random sample of medical records, Workers Compensation reports, and work-related sickness and accident data to verify the OSHA 300 log is correct.

The Corporate Medical Director and staff are responsible for the quality, implementation, and compliance by local Medical Departments with the GM Medical Management Program, as it applies to ergonomics. This program will be jointly reviewed periodically for continuous improvement and elimination of unnecessary complexity.

The NJC will monitor implementation of this process and consider changes for continuous improvement.

VIII. HEALTH AND SAFETY TRAINING

UAW-GM CHR Health and Safety will continue to develop training programs to enhance employees skills and abilities to perform their jobs in a safe manner. The NJC will be responsible for identifying employee job-related health and safety education and training needs which are mandated by the government or would be applicable across UAW-GM sites.

It is recognized by the NJC that the LJHSC should be involved in identification of what health and safety training is needed and appropriate for their particular location, including monthly safety talks.

A local training needs analysis will be conducted at each location. Based on this analysis, a comprehensive training plan consistent with NJC requirements and local plant initiatives will be developed, and the necessary resources will be identified as part of the business planning process to provide such training. The Plan will specify target audiences, recommendations for completion dates, class size, and methods of delivery. The Plan will be reviewed by the PSRB, their Divisional Safety Review Board, and the NJC, to ensure consistency with requirements. The LJHSC shall be responsible for monitoring the progress of their local training plan.

The NJC through UAW-GM CHR Health and Safety will continue to provide training resources for use by the plants. The NJC will direct and oversee the development and administration of required training courses. Alternatively, the NJC may approve the use of other commercially developed courses. The NJC with input from the Divisional and Plant Safety Review Boards will establish the appropriate selection criteria for plant health and safety trainers. Trainers selected will receive necessary instruction in conducting the specific training. Hourly plant trainers will be selected by the Local Union.

Required health and safety training will be introduced to plants by top Union Leadership and Corporate Management. The NJC will monitor and evaluate training programs and make periodic reports to the Center for Human Resources Executive Board. The NJC encourages the participation of International and Regional Servicing Representatives and members of management in Health and Safety Training Programs developed by UAW-GM CHR Health and Safety.

IX. SAFETY TRAINING FOR CHAIRPERSONS OF SHOP COMMITTEES WITHOUT DESIGNATED HEALTH AND SAFETY REPRESENTATIVE

The Chairpersons of Shop Committees in locations which do not have a designated Health and Safety Representative, may upon request of the National General Motors Department of the International Union, attend training or instruction programs provided by the Corporation in Section II, Item C of the Memorandum of Understanding - Health and Safety.

In addition, the Corporation advises that employees who wish to enroll in courses of instruction relating to industrial health and safety at approved educational institutions will be eligible to apply for tuition refund for such courses subject to the terms and conditions of the Corporation's Tuition Refund Program.

X. LOCKOUT POLICY

During the current negotiations the UAW and General Motors discussed their mutual concern regarding fatalities and serious injuries to employees, including operators, performing repair, service and maintenance activities on machinery and equipment. The parties agreed that, the Lockout - Energy Control program must be universally implemented and enforced throughout the Corporation. In order to be effective, the parties reaffirmed that the elimination of the potential

for injury from hazardous energy is critical to worker safety.

It is the policy of General Motors and endorsed by the UAW that:

Lockout is required where employees may be exposed to hazardous energy which could cause injury. Exposure means that the employee is in a position to be injured by released energy.

Where an employee is exposed to potential injury from expected machine energy/motion, the exposure must be eliminated. If the exposure cannot be eliminated, the machine will be locked out.

The Corporation will utilize a common tool at all plants to generate a common lockout placard for new machines and equipment. The tool will also be used to update existing placards into the common placard template whenever machinery and/or equipment is modified after October 1, 2003.

All plants will also be required to conduct an annual review of lockout placards. The review is to be conducted to ensure that the placards are still representative of the procedure required to lockout the equipment and that all lockout points are appropriately identified.

Each location will maintain an effective Lockout-Energy Control program which will apply to all employees, based on implementation guidelines which have been published by UAW-GM CHR Health and Safety.

XI. MONITORED POWER SYSTEMS

The UAW and General Motors recognize the importance of designing processes and equipment with effective health and safety controls. Therefore, the

parties agreed to integrate "Monitored Power Systems" into the existing Lockout/Energy Control procedures. The fundamental process begins with performing an initial Task Based Risk Assessment (TaBRA) on any process where "Monitored Power-Systems" may be appropriately used.

The use of these systems, when integrated into the existing Lockout/Energy Control procedures, can further reduce or eliminate the risk of exposure to employees. However, it is understood by the parties that Lockout must still be performed whenever the exposure cannot be controlled or eliminated as determined by the Task Based Risk Assessment process.

XII. REFUSAL OF HAZARDOUS WORK

A worker, who has a reasonable belief that their work assignment may result in serious physical injury, including illness, should immediately discuss the safety aspects of the work assignment with their supervisor. Failing resolution, the issue may be discussed with the District Committeeperson.

Should technical consultation be requested by the supervisor or committeeperson, the LJHSC will be notified to respond before further action is taken. In line with the Memorandum of Understanding on Health and Safety, upon joint recommendation, the machine or operation will be taken out of service to perform any and all corrective action.

Failing resolution of the matter, it may be taken up in accordance with the Memorandum of Understanding on Health and Safety, Section IV, Complaint Procedure.

XIII. IMPROVEMENT OF MEDICAL AND INDUSTRIAL HYGIENE SERVICES

The Corporation reserves the right to select and hire appropriate consultants for health and safety services.

The Union will be informed in advance and be provided an account based on specific legitimate requests regarding qualifications of the consultant(s) engaged by the Corporation to provide services. The Union may recommend consultants for Management's consideration. Included in such recommendation should be an account of the qualifications of the consultants recommended by the Union.

The LJHSC will be informed regarding the engagement of consultants to provide industrial hygiene and safety services. Qualifications of such consultants will be provided upon request. Reports prepared by such consultants will be provided to the LJHSC, who will provide a copy to the local Industrial Hygiene Technician and the co-chairs of the NJC. In addition, the Corporation will provide a list of consultants under Corporate contract for industrial hygiene services to the NJC and update the list when changes are made.

Management in conjunction with the LJHSC will assess the need and where required, a facility will develop and implement an air sampling plan. Such plans should be reviewed and implemented on an appropriately scheduled basis. Guidance in the preparation of such plans will be provided by the NJC. Based upon the air sampling plan, an hourly employee selected by the Vice President and Director of the General Motors Department of the International Union, working under the technical supervision of a GM Industrial Hygienist, may assist in the collection of air samples. Job function key elements of the Industrial Hygiene Technician will be established by the NJC, and the appointee will demonstrate competency by successfully completing required training, determined by the NJC. Reports of industrial hygiene and noise measurement surveys will be provided to the LJHSC who will provide it to the co-chairs of the NJC, if appropriate.

XIV. ENVIRONMENTAL CONTROL

Environmental information and reports, which are required to be reported to various governmental regulatory agencies, will be made available to the NJC on a regular basis. For example, this information may include the local Toxic Release Inventory compiled to comply with the Superfund Amendments and Re-authorization Act, copies of environmental permits and compliance monitoring data. General Motors will notify the LJHSC of significant environmental remediation projects, and spills or releases that are subject to government reporting requirements. The LJHSC will forward such information to the co-chairs of the NJC.

The co-chairs of the NJC will be invited as guest members of the GM Environmental Issues team for the purpose of providing them with periodic updates on environmental projects and issues that may affect UAW bargaining unit employees.

XV. PERIODIC JOINT AUDITS OF PLANTS

The UAW and General Motors agree that a formal system of performance review is an effective means of obtaining and re-enforcing compliance with established health and safety requirements. The parties, therefore, agree that the NJC will conduct audits to evaluate each facility's health and safety performance. The purpose of the audits is to review the effectiveness of health and safety activities reaching the operations level and being implemented across the workplace. The parties also agree to enhance the current audit process by developing methods to assure the process is consistently applied and delivers measurable results. Additionally, the parties have developed as part of the Divisional Safety Review Board Process a method to address repeat audit findings for identical deficient conditions found on consecutive audits.

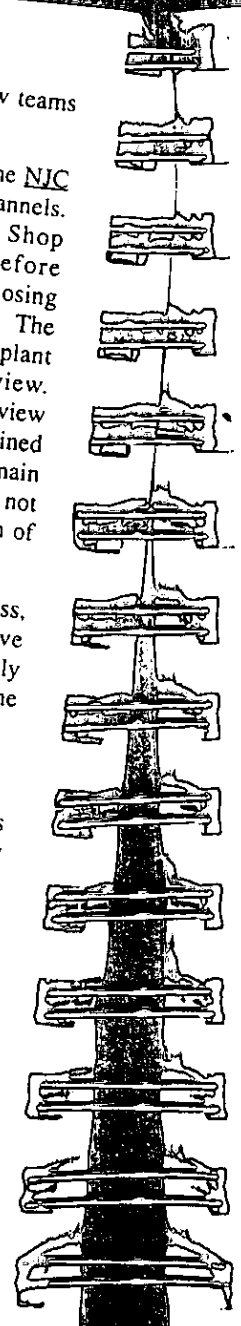
The NJC has established five (5) joint review teams to conduct such reviews.

A plant visit itinerary will be established by the NJC which will be scheduled through appropriate channels. The team will meet with the Plant Manager, Shop Committee Chairperson and the LJHSC before beginning the performance review, and have a closing conference upon completion of the on-site review. The finalized report will be prepared and sent to the plant and division within thirty (30) days of the review. Following the finalized report, the LJHSC after review by the Key Four, will reply, addressing issues contained in the report. All such review information shall remain the confidential property of General Motors and will not be released without the expressed written permission of General Motors.

The parties agree that through the joint audit process, they will verify that all facilities have an effective emergency notification system and that it is periodically tested to achieve the best possible response time for the emergency involved.

XVI. NEW TECHNOLOGY/SPECIFICATIONS

Discussions were held during these negotiations regarding Health and Safety being designed into new equipment, refurbished equipment and/or new processes. GM and the UAW recognize the advantages of designing processes and equipment with effective health and safety controls. The parties established a joint team from UAW-GM CHR Health and Safety, under the direction of the NJC, to work with the "Design-In Safety" group, established by the Corporation, to address health and safety concerns early in the development process. The main objective to the "Design-In" effort was to develop common design specifications for application across the Corporation, in the manufacturing processes, that incorporated health



and safety program requirements. The joint team serves as a technical resource to work with the engineering group to assure that UAW-GM health and safety program requirements are incorporated into the common design specifications.

In an effort to promote improved communications regarding such matters, as early as possible and preferably in the development phase of the planning in the design process and incorporating lessons learned, as described in Design for Health and Safety Specification (DHS), the parties agree to perform Task Based Risk Assessments (TaBRA), on new equipment and manufacturing systems, and on existing equipment and manufacturing systems where locally agreed to and approved by the PSRB. A Task Based Risk Assessment will be performed after the detailed designs are completed on new manufacturing equipment and/or processes. A review of anticipated equipment and/or processes with the shop committee, the LJHSC, and the JETT will be held. The LJHSC and, when appropriate, the JETT, may be required to travel to vendors, plants, or other locations to participate in a design review of such equipment or processes as outlined in the DHS specification and the Ergonomics Design Process (EDP-21). The Union will have an opportunity to discuss health and safety and ergonomics concerns with Management and make recommendations designed to improve the equipment and/or processes, consistent with the common design specifications where they have been established by the "Design-In" activity in the DHS specification and EDP-21. Additionally, TaBRA data will be incorporated at several points or gate reviews early in the design process as described in the DHS specification.

Reviews will be made at the appropriate level (i.e. Plant Safety Review Board, Divisional Safety Review Board, and National Joint Committee), for new technology/process awareness and to discuss safety

related issues and/or concerns. Representatives from Worldwide Facilities Group will periodically meet with the National Joint Committee on Health and Safety to review advancements in technology that may impact the Committee's area of responsibility. In addition, the NJC has established a joint team to identify the risks associated with high hazard jobs, with the intent of developing recommendations for evaluating and controlling them. Recommendations from the team will be submitted to the NJC.

Machinery, equipment or processes will not be released for production without the written approval of the Plant Safety Supervisor. The Plant Safety Supervisor will consult with the JETT during this process. Where required, lockout placards will be posted for all applicable energy sources. The parties discussed and recommitted themselves to continue the implementation of the UAW-GM Lockout Placard Guidelines. These placards will continue to be reviewed during a UAW-GM joint audit and should be reviewed during safety observation tours.

The LJHSC and, when appropriate, the JETT, will consult with operators, skilled trades, engineers, supervisors or related personnel to ensure that required safeguards and ergonomics features provide effective protection and do not interfere with their ability to perform their assigned tasks.

The NJC will continue to oversee the development of communications material regarding the design-in-safety activity for the LJHSC and the EDP-21 for the JETT. This material includes informational material, guidelines, standards, checklists, CD ROM Disks, and other appropriate material to clearly communicate the common design specifications.

The parties will continue their efforts to integrate health and safety into the development process of the

Quality Network, which includes common design specifications, and review of such, into the earliest design phases of any new equipment, process, or operation at the appropriate level.

XVII. CONTROL OF CHEMICAL AND FOUNDRY EXPOSURES

The Corporation will continue to update Occupational Exposure Guidelines (OEG's) to assess employee exposure to chemicals in General Motors' facilities, as needed. Guidelines are considered necessary whenever existing OSHA Permissible Exposure Limits do not sufficiently protect the worker, or when there is no applicable OSHA Permissible Exposure Limit. Guidelines will be based on consensus standards and recommendations in addition to available scientific evidence. General Motors will require plants to use OEG's as the basis for evaluating employee exposures and for taking appropriate corrective or preventive action.

The Corporation will review Guidelines with the NJC on an annual basis and will discuss proposals for necessary changes. The Corporation intends to control, through professional industrial hygiene practice and methods, employee exposures to the currently adopted guidelines of the American Conference of Governmental Industrial Hygienists (ACGIH) for Threshold Limit Values (TLV) for Chemical Substances in the work environment. In addition, the Corporation will bring to the NJC for review and discussion, all cases where OEG's and TLV's are divergent. When changes to the existing list are proposed, the NJC:

- Will review the proposed change differences and its rationale.
- Will review existing air sampling data to determine the prevailing exposure level to the chemical or substance under consideration.

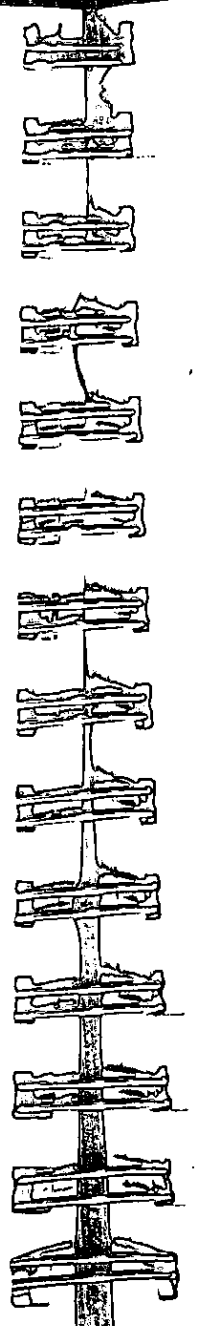
- May seek the advice of the UAW-GM Occupational Health Advisory Board concerning the proposed change.

The Corporation and Union agree to continue to study the potential health effects of cutting fluids for the purpose of establishing an exposure guideline and to determine the need for additional controls where cutting fluids are used. Where warranted, based on confirmed results of the current NJC - OHAB studies, the NJC will devise an action plan and make appropriate recommendations to the Corporation regarding coolant exposures. In this regard, General Motors will establish a plan to be reviewed with the NJC that reduces exposure to coolant aerosol. The plan will include a phased-in approach, as appropriate, across affected plants taking into consideration plant process and/or product changes.

The Joint Parties agree that prior to implementing new chemical technology/processes and changes to current chemical processes, reviews will continue to be made at the appropriate level (i.e. Plant Safety Review Board, Divisional Safety Review Board, and National Joint Committee), for awareness and discussion of safety related issues and/or concerns.

The LJHSC will review process exhaust ventilation systems at facilities where air is recirculated. Such review will be in accordance with guidelines established by the NJC. Air testing will be performed when requested by the LJHSC. To the extent feasible, these tests will be incorporated in the previously described air sampling plan. Recirculation will not be permitted where employee health and safety cannot be assured.

The UAW-GM Industrial Hygiene Technician Program will be jointly revised to include the following:



1. A process for an assessment of intermittent exposures in skilled trades jobs and non-routine tasks.

2. The identification of appropriate performance checks, conducted at least annually, on local exhaust ventilation systems to assist in the evaluation of employee exposures. Additionally, ventilation systems will be included in the local planned maintenance program (i.e., MAXIMO).

Medical surveillance for respiratory effects of machining fluids will be offered to employees who regularly work in operations with machining fluids. Such medical surveillance will include a standardized respiratory symptoms questionnaire and pulmonary function test. For personnel newly-assigned to such operations, pre and post shift pulmonary function tests will be done at least once during the first year.

The Industrial Hygiene Technician will receive notice of initial work related medical cases reporting symptoms such as headaches, nausea, skin problems, and respiratory complaints.

Records of laboratory testing and coolant additions will be maintained and made available to the local joint committee for health and safety upon request.

The NJC will establish a medical surveillance program for implementation at General Motors iron foundries. This will include an air sampling plan and chemical controls as related to iron foundry operations.

XVIII. ACCESS TO DATA

The Health Information System, (HIS), provides a common method for recording medical visit information in UAW-GM facilities.

During 1999 negotiations, the Joint Parties enhanced the Health Information System (HIS) for the purpose of making it easier for the LJHSC to retrieve and analyze injury/illness data.

Additionally, a joint effort through the NJC developed standardized reports of information customarily used by the LJHSC in carrying out their responsibilities. The existing reports in HIS, that include the OSHA 300 log overrides, will continue to be available for access by the LJHSC.

A joint procedure has been established for review of the quarterly audit results of HIS injury/illness records with the LJHSC, by the Medical Department (administrative joint letter dated June 10, 1999). This medical department audit includes a review of Worker's Compensation cases as part of the current audit of HIS injury/illness records.

In order to monitor the effectiveness of the programs, the parties recognize that all work-related injuries and illnesses must be reported to the medical department as soon as possible. These injuries/illnesses shall be reported in accordance with procedures developed by the local PSRB. Further, the Corporation will continue to encourage the reporting of near-miss incidents as agreed in the 1999 Negotiations. The Corporation does not endorse the use of monetary or other tangible rewards for groups or individuals to discourage the reporting of work-related injuries or illnesses. The parties agreed that positive recognition for developing improved safety processes or accomplishing improved safety performance can be a valuable tool to continue to motivate managers, supervisors and workers to keep safety as an overriding priority.

The NJC has established a represented employees' mortality registry. The LJHSC may request the mortality experience pertaining to the facility they represent from the NJC. The NJC will access the Corporate Mortality Registry as it pertains to UAW represented employees for such information.

The Corporation agrees to continue to provide information pertinent to the joint investigation of health

and safety issues. This includes information from existing databases including the Health Information System (HIS), the Mortality Registry, the Workers Comp database and the Sickness & Accident database. The Mortality Registry will be updated on a regular basis as determined by the NJC in consultation with the Occupational Health Advisory Board (historically every five (5) years). The Corporation further agrees to keep these databases up to date and to jointly look for ways to enhance the effectiveness of these systems and the information.

XIX. NOISE ABATEMENT/CONTROL PROGRAM

The joint parties recognize that the Corporation has had a comprehensive Hearing Conservation and Noise Control Program for the purpose of continuous incremental improvements in noise reduction. In accordance with this program, each plant is required to have a Noise Control Committee. The Noise Control Committee will consist of representatives from Plant Engineering, Operations, Medical, Industrial Hygiene, Finance, Purchasing, the LJHSC, Industrial Hygiene Technicians (where available), and others as deemed appropriate by the PSRB, such as certain skilled trades personnel, and/or other employees. The Noise Control Committee has the responsibility to seek input from plant personnel in identifying noise sources and potential ways to reduce noise levels.

The Noise Control Committee will:

- Ensure audiometric testing is performed for employees exposed above 85 dBA.
- Perform an annual evaluation of the noise abatement plan and provide recommendation for improvement to the Plant Safety Review Board.

- Ensure reports follow formats specified in GM Occupational Hearing Conservation and Noise Program SL 3.0.
- Ensure new and rebuilt equipment meet the GM Sound Level Specification SL 1.0.
- Identify planned maintenance items related to noise control.

The Corporation will continue to conduct the annual noise exposure survey and provide findings to the LJHSC and summary noise abatement program findings to the NJC.

The Noise Control Committee will meet regularly, record minutes, and report quarterly to the PSRB regarding progress on the Noise Abatement Plan. The annual evaluation will include:

- Copies of the plant's noise abatement program.
- The number of employees that experienced standard threshold shift.
- The number of employees that are required to wear hearing protection.
- The number of employees at risk of exposure at or above 85 dBA.
- The number of employees at risk of exposure above 90 dBA.

XX. PLANNED MAINTENANCE

The NJC will jointly identify health and safety requirements to be integrated into the Quality Network "Planned Maintenance Action Strategy." These requirements will include both those that are regulated by government agencies and those established in UAW-GM programs. The LJHSC will also review the

"Planned Maintenance Action Strategy" to assure local regulations and/or practices currently in effect are included. Safety related information, such as established safe operating procedures, shall be included in the Planned Maintenance Program (e.g., MAXIMO).

XXI. WORKING ALONE

The parties have discussed the Corporation's policy regarding the assignment of employees to tasks in isolated locations or confined entry spaces. The Corporation explained that anytime an employee is assigned to work alone in an isolated area, the Corporation has instructed Plant Leadership to ensure an appropriate level of personal surveillance. (See jointly agreed to letter from Manufacturing Managers Council dated February 18, 2003.) Additionally, when work assignments involve situations hazardous to an employee, appropriate precautions will be taken in accordance with safe work practices, including air sampling and ventilation when necessary, communications systems, personal surveillance arrangements and, as required, adequate support personnel. When an employee brings to Management's attention a situation where they are reasonably concerned that their safety is jeopardized because they are working alone, Management will provide a copy of an applicable written Safe Operating Practice to the employee detailing precautions to take to perform the task safely. If one has not been developed and reviewed, Management will give the employee job instructions to perform the task safely and within 24 hours make a written request to the LJHSC for the development of a Safe Operating Practice. Safe Operating Practices will be developed by the LJHSC within 5 working days and will be reviewed by the PSRB at the next regularly scheduled meeting. This will not change or restrict any mutually satisfactory local practices.

XXII. NO HANDS IN DIES POLICY

The Corporate policy has been and continues to be "No Hands in Dies". Implementation of "No Hands in Dies" in the plant requires provision for expendable hand feeding tools, slide feeds, sliding bolsters, automatic or semi-automatic operation, die cutouts or other means and procedures whereby the operators are not required to place their hands into the point of operation. In addition, well disciplined procedures for use of die blocks and safety lock-outs for maintenance and setup personnel are imperative. An intensive orientation program for operating supervisors, and process and facilities engineers may also be advisable.

XXIII. PLASTIC INJECTION MOLDING MACHINES

The parties recognize that hydraulically operated plastic injection molding machines may present hazards, different than mechanical power presses. Plastic injection molding machines will continue to be safeguarded in accordance with OSHA requirements and National Consensus Standards (ANSI). The NJC will continue to explore alternative methods of safeguarding the machines.

XXIV. CONTRACTOR SAFETY

It is the Corporation's practice to provide outside contractors with Corporate Health and Safety policies and procedures and, where applicable, relevant site specific UAW-GM Health and Safety work practices. The Corporation will continue to use the "Construction Safety Process" (CSP) as reviewed with the National Joint Committee on Health and Safety at its April 8, 2003 meeting. The contractor's Job Site Safety Plan will be reviewed prior to commencement of on-site work, and work activities will be periodically monitored thereafter for compliance. Additionally, GM requires that construction or maintenance contractors comply

with applicable Federal, State, and Municipal Health and Safety regulations as stipulated in the GM/contractor contract.

Where the nature of the construction or maintenance work requires that the contractor's employees work in proximity to UAW-GM employees, GM will require, as a condition of the construction or maintenance contract, the contractor's commitment to abide by applicable UAW-GM plant/site Health and Safety work practices. The Corporation has also agreed to continue to report contractor incidents, including serious injuries and near misses, to the UAW.

The PSRB will monitor contractor safety activity to insure compliance, and any unresolved issues or concerns can be referred through the safety process to the NJC.

[See Doc. 14, 105]

Doc. No. 8

MEMORANDUM OF UNDERSTANDING — SPECIAL PROCEDURE FOR ATTENDANCE

The Corporation and the International Union agree that the problem of unwarranted absenteeism must be addressed in a cooperative and constructive manner. Both parties recognize that unwarranted absences adversely impact quality, cost and efficiency and in so doing constitute a threat to the job security of all employees.

The parties also recognize that sometimes absenteeism is the result of personal or unforeseen problems in an employee's life and that such problems must be addressed in a reasonable and responsible manner.

Based on the foregoing the parties agree to adopt this Special Procedure for Attendance. This procedure is intended to encourage regular attendance through corrective discussion, formal discipline and the availability of the Employee Assistance Program, while at the same time expecting employees to accept responsibility for their own attendance behavior.

SPECIAL PROCEDURE FOR ATTENDANCE

1. This procedure will apply to all employees who have acquired seniority pursuant to Paragraph (57) of the National Agreement.

2. This procedure is separate and distinct from the plant's standard corrective disciplinary procedures. All instances of employee absence, as defined in paragraph 4 below, will be addressed through this procedure.

3. The action taken by Management as a result of the corrective action steps of this procedure are subject to the Disciplinary Layoffs and Discharges Section of the National Agreement and therefore, the Grievance Procedure Section of the National Agreement. During the Paragraph (76) interview associated with the corrective action steps, the employee will be advised of the special procedure for attendance and the availability of the Employee Assistance Program.

4. Instances of absence subject to this procedure are defined as follows:

A. Single or consecutive days of absence without reasonable cause.

B. Tardiness of four (4) hours or more without reasonable cause.

5. Instances of absence without reasonable cause will be subject to the reasonable application of the Attendance Corrective Action Steps below:

ATTENDANCE CORRECTIVE ACTION STEPS

STEP	ABSENCE/INSTANCE	ACTION
1	First	First Written Warning
2	Second	Second Written Warning
3	Third	Referral to EAP Services and Balance of Shift Plus 3 Day Disciplinary Layoff
4	Fourth	Balance of Shift Plus 2 Week Disciplinary Layoff
5	Fifth	Balance of Shift Plus 30 Day Disciplinary Layoff
6	Sixth	Discharge

6. This Special Procedure for Attendance will become effective on the Monday two weeks following the effective date of the new National Agreement.

NATIONAL COMMITTEE ON ATTENDANCE

7. The National Committee on Attendance will consist of three (3) representatives of the Corporation and three (3) representatives of the International Union.

The National Committee shall:

A. Meet periodically at a mutually agreeable time and place.

B. Explore ways to reduce unwarranted absenteeism, particularly as it relates to the larger problem of long term absenteeism.

C. Review attendance data and make necessary or desirable recommendations on the effectiveness of attendance procedures.

D. Recommend and develop relevant training programs.

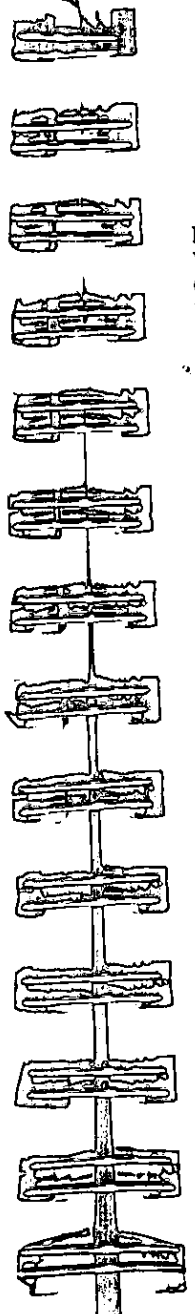
E. Review problems concerning serious or unusual situations creating unwarranted absenteeism and make appropriate recommendations.

8. The parties are specifically empowered to periodically review and evaluate this procedure and make mutually satisfactory adjustments in the mechanics of its operation during the term of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 2nd day of November, 1996.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Gerald A. Knechtel
Bill Apple	Frederick R. Curd, Jr.

[See Par. (191)]
[See Doc. 46]



GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties had extensive discussions concerning the Corporation's component and service parts operations. Both parties recognized the importance of maintaining and strengthening these operations. They are critical to the long-term viability and financial health of General Motors.

The parties also recognize that the competitive pressures facing these operations can be addressed successfully if both parties work together to find mutually acceptable solutions to common problems. In this connection, Management and Union representatives from the above-defined units will conduct a joint review of such operations and identify areas where improvements may be made to enhance their competitiveness. Such areas may include quality, productivity, cost, plant layout and process, materials/components, technology, capital investment, maintenance and preventive maintenance, supervision, work rules, pricing and marketing strategies, training, and capacity utilization.

Subject to this review, the following process may be implemented:

- At any component or service parts location as defined by the parties, either local party may raise the issue of the competitive viability of the operation;

- Thereafter, upon mutual agreement locally, a joint study would be conducted evaluating the unit and the competition through benchmarking in terms of the areas addressed in the previously conducted joint review.

Where the results of the study indicate that changes are required to become competitive, the parties will develop a plan that will identify the areas that need to be addressed so that the unit may be better able to compete effectively. The plan should include a timetable for implementation and periodic monitoring reports to appropriate joint leadership.

The parties view this undertaking as an opportunity to strengthen the relationship of the local parties with the goal of ensuring the long-term viability of component and service parts operations and thereby preserving the job and income security of UAW members.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: JOBS Program - Volume Related Layoffs -SEL

During the course of these negotiations, the Corporation and Union have provided General Motors employees with substantially increased job security through the new SEL feature of the JOBS Program, which protects eligible employees against layoff for virtually any reason except volume related market conditions. The parties recognize that employment levels may continue to fluctuate as a result of the cyclical nature of demand in our industry. The Corporation acknowledges, however, the importance of minimizing layoffs even in instances where volume related declines are unavoidable. In particular, the Union stressed the importance of reducing overtime and shifting dual sourced production requirements to UAW-General Motors plants in the event of overall market declines. The Corporation agrees to take these and other actions whenever practical.

In any event, however, employees affected by volume related declines would exercise their seniority in line with local seniority agreements and, if otherwise eligible, receive benefit treatment in accordance with the Supplemental Agreements attached to the current GM/UAW Collective Bargaining Agreement.

Identifying the complex inter-relationships of all the factors involved with volume fluctuations is a difficult task. The parties agreed, however, that for purposes of

determining SEL related protections they must identify just those volume declines that are attributable to market related conditions, and in turn just those declines that are not affected by Corporation sourcing choices of vehicles and components that compete with or act as replacements for vehicles and components produced by General Motors employees covered by this Collective Bargaining Agreement. In other words, volume declines that are attributable to the Corporation's production and purchase arrangements with any related or unrelated party (subsidiaries, affiliates, captives, joint ventures, transplants, etc.) would be considered an exception to the overall volume related exclusion in Section I(D) of the JOBS Program.

The parties also agreed that the complexity of these issues requires that the Corporation provide Local JOBS Committees adequate notice of any impending volume-related layoff, as well as all information necessary to fully evaluate its underlying causes, the extent to which such decline is associated with a Corporate sourcing action and the appropriate number of SEL eligible employees that should be affected by the layoff.

The Corporation recognizes, moreover, that it has the responsibility to justify implementation of a layoff in the context of the protections spelled out in the JOBS Program and the guidelines outlined in this letter. Similarly, the Corporation also accepts the responsibility of proving that the proper number of employees are recalled to SEL positions when a volume related decline is reversed, again within the context of the JOBS Program protections and the guidelines outlined in this letter.

The following are to be considered as illustrations to assist the parties in determining when volume related declines support reductions in employment. These illustrations should not be considered all inclusive.

- Market Related Conditions - Included in this category is customer preference of one vehicle over another that might result in a decline in sales of a U.S.-built General Motors vehicle that requires the

layoff of employees, provided such sales declines are not the result, for example, of increased sales or increased market share of competitive captive imports or joint venture vehicles or any other vehicle sold in the U.S. by General Motors but not produced in a UAW-General Motors plant.

- Example of Market Related Conditions

(1) There is a decline in economic activity which depresses retail sales of UAW-General Motors vehicles. Lower production levels require the layoff of employees. Assembly Plant A, employing 4,100 SEL-eligible employees, is the sole source of Vehicle Z for the U.S. market; it is required to layoff one shift, or 2,000 employees. The number of SEL-eligible employees at the plant remains at 4,100, including 2,000 open positions for laid-off employees.

While the plant is down to one shift, the Corporation decides to outsource the cushion room, which reduces employment requirements by 250 employees per shift. Two hundred fifty (250) employees are placed on Protected employee status. There is no impact on the SEL numbers.

U.S. car demand picks up to pre-layoff levels and the second shift is called back. Active employment at the plant goes back to 4,100.

As the second shift is called back and the plant is back to pre-downturn production levels, an additional 250 employees are placed on Protected employee status which now leaves a total of 500 employees. The SEL plant number remains at 4,100.

(2) Assembly Plant B (5,000 SEL-eligible employees) is not the sole source of Vehicle Y, which is also produced in Canada for the U.S. market, in Plant BC. Plant BC supplies one-fourth of the U.S. demand for Vehicle Y. An

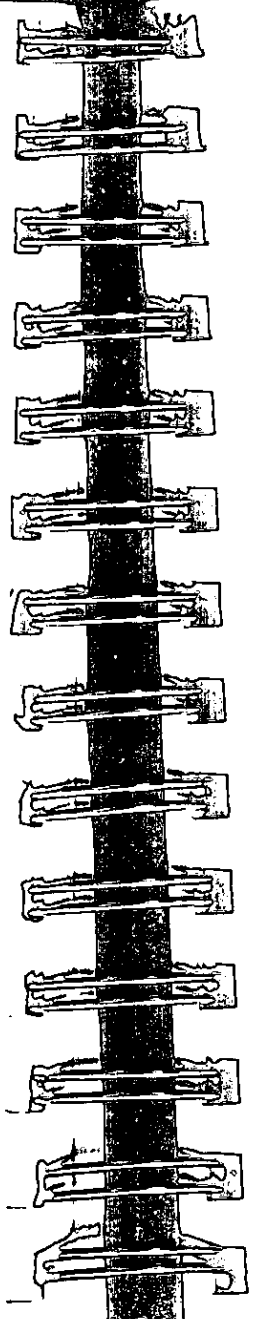
economic downturn in the U.S. reduces demand for Vehicle Y by 160,000. In accordance with SEL guidelines, volume related employment reductions cannot exceed Plant B's share of pre-downturn volume levels (three-fourths) applied to the reduced level of overall sales. Production in Plant B is therefore reduced by no more than 120,000 units, causing layoffs of 2,000 workers. Plant B's number of SEL-eligible employees remains at 5,000, including 2,000 open Bank positions.

Vehicle Y demand in the U.S. market picks up by 60,000. The Corporation decides to produce 30,000 of those units in Plant B and the rest in Canadian Plant BC. The increase in production is not accomplished in proportion to pre-layoff production shares; to comply with SEL, the Corporation must recall 250 employees which it assigns to Protected employee status in addition to the 500 employees required for the pick up in production.

- Product Discontinuance - Because of the introduction of a new U.S.-built General Motors vehicle or a non-allied company vehicle not sold by General Motors, sales of another General Motors-manufactured vehicle may decline, and production of the latter vehicle must be curtailed necessitating reductions in employment. Such reductions would be considered volume related declines under Paragraph I(D) of the Program.

  – Examples of Product Discontinuance or Phase Out and Changes in Retail Preference

  (1) A new U.S.-built General Motors vehicle (or any other new non-allied company vehicle which is not marketed by the Corporation) is introduced. Sales of Vehicle X decline by 50%, and assembly must be curtailed. The necessary reductions in employment are made through layoffs, keeping the number of



SEL-eligible employees at the assembly plant at the same level.

(2) Engine Plant C, employing 1,400 SEL-eligible people, produced half of the engines for Vehicle X; the other half are produced at a Corporate plant in Mexico. The volume reduction is made totally at Plant C rather than split proportionately between Plant C and the plant in Mexico. Therefore, in accordance with the JOBS guidelines half of the 700 employees who are not required any longer in Plant C due to this event are assigned to Protected employee status, and the other 350 employees would be laid off. The number of SEL-eligible employees at Plant C remains at 1,400, including 350 open volume related positions.

- Faulty Product - Vehicle line volume may decline because of faulty parts in a vehicle that cause customers to place the product in disfavor. Such reductions would be considered volume related declines under Paragraph I(D) of the Program.

- Changes in Retail Preference - General Motors volume may decline because of customer preference shifts — in turn affecting mix and therefore demand, e.g., small car preference shifts to large car; option preference swings; high product content to low product content. Such reductions would be considered volume-related declines under Paragraph I(D) of the Program.

- Non-General Motors Commercial Customer Preference - Cancellation or declines in product volume for General Motors Corporation manufactured parts that are sold to unrelated firms may cause volume changes. Such volume reductions would be considered volume-related declines under Paragraph I(D) of the Program.

  – Examples of Non-General Motors Commercial Customer Preference

Plant A produces heavy duty cranking motors for off the road construction equipment. Volume is reduced as a result of a decline in the construction industry. One hundred fifty (150) employees are laid off; 150 open volume-related positions are established.

At the time production is back to pre-layoff levels the Corporation introduces two robots which replace 25 employees. According to SEL guidelines all of the 150 employees are recalled from layoff, 25 of them are assigned to Protected employee status, and the number of SEL-eligible employees remains equal to its pre-layoff level.

- Non-General Motors Produced Vehicles - If sales of a new or replacement vehicle manufactured by an allied company for General Motors, that competes with a vehicle manufactured by the Corporation, results in reduced sales of the Corporation-manufactured vehicle, the action would not be volume related and layoffs under Paragraph I(D) of the Program would not be permitted.

  – Example of Non-General Motors Produced Vehicles

  The Corporation outsources a vehicle that it markets in competition with Vehicle W manufactured by UAW-General Motors employees. This results in reduced sales of Vehicle W. Employment requirements are reduced, but this event is not covered under Paragraph I(D) of the JOBS Program and layoffs are not permitted. This protection also extends to employees producing UAW-General Motors components which are manufactured for Vehicle W.

- Engines, Transmissions, Stampings, and other Components or Materials

  It is recognized that reductions in vehicle production will often be accompanied by reductions in component production. When reductions in vehicle production are volume related, pro-rata reductions in component production will normally be

considered volume related as well. However, to the extent a reduction in component production results from a shift in sales to vehicles sold by General Motors but not produced in UAW-General Motors plants, the reduction will not be considered volume related. Furthermore, when a like or similar component is dual-sourced from a UAW-General Motors and a non-UAW-General Motors plant, production declines at the UAW-General Motors plant will only be considered volume-related to the extent the dual-sourced component produced at that plant continues to be produced in its pre-production decline proportion.

– Examples:

(1) Plant A receives regular automotive batteries from a UAW-General Motors plant and heavy duty batteries from a non-UAW-General Motors plant. A volume decline occurs in regular automotive batteries because of customer preference for heavy duty batteries. Such reductions would be considered volume related declines under the Program but would not have to be taken proportionately because the batteries would not be considered like or similar components.

(2) Plant B receives regular batteries that have plastic fastening brackets from a UAW-General Motors plant and regular batteries that have steel fastening brackets from a non-UAW-General Motors plant. The batteries are used interchangeably and would be considered like or similar components. Therefore, any volume declines in battery production would have to be taken proportionately to be considered volume related.

As implied by these examples, there are many variations to be considered when determining volume actions. This letter is intended to provide a framework

within which Local and National JOBS Committees may review the applicability of Paragraph I(D) to volume reductions.

If a Local JOBS Committee cannot agree on a situation being defined as volume related, the matter may be appealed to the National JOBS Committee for resolution.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

(See Par. (65),(66))
(See App. K,(I),(D))

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations regarding the JOBS Program — SEL, the parties discussed utilization of Protected employees at some length. The Corporation and the UAW have agreed that productive utilization of Protected employees is critical to the viability of our operations, and to the continued success of our JOBS Program.

It was agreed that local JOBS Committees must make every effort to ensure that Protected employees are fully utilized on meaningful assignments. The parties have recognized that both underutilized employees and unproductive assignments are contrary to the spirit of the Agreement. It is the intent of the Parties to utilize Protected employees in accordance with previously agreed practices.

For purposes of the JOBS Agreement, "non-traditional" work could encompass any assignment(s) within the facility (except regular productive work, including the direct production, assembly or fabrication of vehicles or components) which can efficiently and safely be performed by the individuals involved.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations we have explored at length methods to preserve and increase the job opportunities of our employees — your members. Further, we have mutually recognized that the best potential for increased job opportunities is a growing and thriving Corporation fully competitive in all aspects of its business.

During the discussions and in response to your concerns regarding the outsourcing of UAW work, a new sourcing letter has been submitted providing a mechanism for meaningful advance Union involvement so that the plant, division, group or Corporate sourcing authority may objectively consider the Union's input. The Job Security (JOBS) Program provides job security unmatched in American industry.

The major concern addressed by both the sourcing letter and the JOBS program is the retention of UAW jobs within the Corporation. The entire issue of job security, however, is broader than the continuation by the Corporation of its current business activities. The JOBS Program recognizes that long range job security must include opportunities in our traditional business lines and development of businesses in non-traditional fields providing jobs for our current employees and future job entrants.

The challenge to the parties is a serious one, requiring the full range of all of our talent, experience and imagination. To enhance opportunities for employment

growth, the parties agree the Growth and Opportunity Committee will be continued during the term of the current Agreement. This Committee is charged with pursuing opportunities in non-traditional business areas with an overall view toward providing new jobs not currently included in the scope of General Motors operations. Each feature of the total business opportunity must be examined including 1) the market for the product to be produced, 2) expenditures that are required for equipment or tooling, 3) the cost of any plant modernization or rearrangement, including additions to an existing facility, 4) the availability of the necessary technology, 5) the lease or purchase of a new facility, 6) characteristics of the business including material, capital funds, and wage and benefit levels of other employers in the industry in which the new business will compete, 7) the nature of bargaining agreements needed to assure the new business is competitive, and 8) the expected return on investment relative to the standard in the industry in which the new venture would compete.

In analyzing the feasibility of entering into new business ventures the parties have agreed to call upon the full extent of Corporate and Union resources. As an indication of the seriousness of its commitment to employment growth through business diversification into non-traditional areas, the Corporation will make available up to $100 million of funding to provide for this program during the term of the current Agreement. However, should the Growth and Opportunity Committee recommend new business funding in excess of this amount, The Corporation agrees to review such requests in accordance with the guidelines of this Document No. 12. These funds will be available for investment in new business ventures including, as appropriate, the establishment of separate Corporate organizational structures.

Investment funds will be released on an "as required" basis. Only those ventures receiving concept approval and initial funding prior to the expiration of the current Agreement will be considered as firm commitments by the Corporation. Accounting for fund expenditures will

be the responsibility of the Growth and Opportunity Committee.

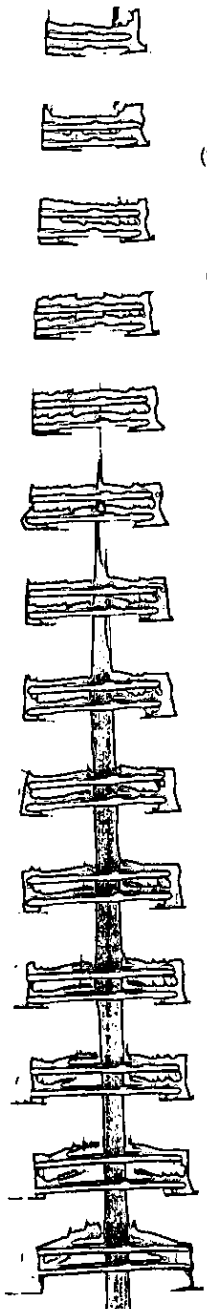
This new program will be administered by the Growth and Opportunity Committee. This Committee will be comprised of equal numbers of Corporate and GM-UAW representatives with multidisciplinary backgrounds. It will be the responsibility of the Committee to make recommendations to the Corporation and Union for concept approval and to request new venture funding from the Corporation for business opportunities deemed to be consistent with employment growth objectives of the program.

The Growth and Opportunity Committee will be responsible to: 1) communicate to group, divisional and local managements and to regional and local union representatives the full scope of this new business concept, 2) review and study the feasibility of proposals made by local JOBS Committees regarding entry into new business ventures, 3) initiate studies necessary for a complete examination of new business ventures proposed locally or by the Committee, 4) make presentations and recommendations to the Executive Board Joint Activities 5) report back, where appropriate, to the local JOBS Committee its findings and recommendations regarding a proposed new business venture, and 6) devise means of encouraging the entire organization, hourly and salaried, to participate in bringing new competitive business into the Corporation and creating new jobs.

The Growth and Opportunity Committee will be guided by the following when considering new business venture proposals:

(1) The jobs created should be in areas in which there is no significant unionized domestic competition, or in the case of traditional areas, where the competition is non-union or outside the U.S.

(2) Work similar, but not identical to, work currently performed in-house, must be included for wage and benefit purposes under the National Agreement. Such proposals may include high risk



or marginally profitable projects that General Motors would otherwise not consider.

(3) Such new business ventures must be located completely separate from facilities under this Agreement except for those described in Paragraph (2) above.

Contingent upon the business climate and market proximity, we have agreed to pay particular attention to communities affected by the loss of GM-UAW employment opportunities. Accordingly, any newly created business venture developed through the efforts of the Growth and Opportunity Committee will be expected to provide opportunities for new employees, with preferential consideration given to UAW represented employees laid off from or working at Corporation facilities. Therefore, to the extent permitted by law, the Corporation or other employer will recognize the UAW as the representative of the hourly employees working at businesses developed through the Growth and Opportunity Committee for the purpose of collective bargaining. In this regard, the parties recognize the need to develop innovative approaches to labor relations and commit to negotiating new collective bargaining agreements for each venture.

The Growth and Opportunity Committee will report periodically to the General Motors Executive Committee and International Union UAW on their progress in identifying and developing viable opportunities for employment growth.

The approach to job security and new business opportunity reflected in this agreement requires a relationship typified by trust and the mutual willingness to take risks in return for economic rewards and job opportunities. Our enthusiasm to search for new business must be shared by group, divisional and local managements and by regional and local union representatives.

The success of this joint activity will be measured based upon results. A high level of commitment will be

required from all parties to enhance the potential for success. The commitment of a full-time effort to seek new employment opportunities should improve the overall effectiveness of the program.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See App. K]
[See App. L]
[See CSA #18]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Plant Closing Moratorium

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Collective Bargaining Agreement, until September 14, 2007, the Corporation will not close, nor partially or wholly sell, spin-off, split-off, consolidate or otherwise dispose of in any form, any plant, asset, or business unit of any type, beyond those which have already been identified, constituting a bargaining unit under the Agreement.

In making this commitment, it is understood that conditions may arise that are beyond the control of the Corporation, e.g., act of God, and could make compliance with this commitment impossible. Should such conditions occur, the Corporation will review both the conditions and their impact on a particular location with the Union.

Should it be necessary to close a plant constituting a bargaining unit consistent with our past practice, the Corporation will attempt to redeploy employees to other locations and, if necessary, utilize the "Special Programs" identified in Appendix K of the GM-UAW National Agreement or other incentivized attrition programs as agreed to by the National JOBS Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 14
DIVISIONAL HEALTH & SAFETY

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the roles and responsibilities of Divisional Management in the Joint Health and Safety Process. The parties agreed that leadership direction, whether Management or Union, must always be consistent with the Joint Health and Safety Process.

The GM Automotive Strategy Board initiative clearly directs Management to utilize joint health and safety programs to help support our efforts to achieve a healthy and injury-free workplace. During the negotiations, the Chairperson of the Manufacturing Managers' Council, the Management group identified to oversee our health and safety improvement efforts by the GM Automotive Strategy Board's initiative, spoke with the parties about Management's commitment and desire to use the Joint Health and Safety Process for GM employees in UAW-represented facilities.

Therefore, the parties agreed that members of Divisional Management and representatives of the Union will support and operate within the policies and procedures established in the Joint Health and Safety Process.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 15
TEMPORARY OPENINGS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the problem created when local managements are reluctant to recall laid off employees to perform work of known short-term duration because under the terms of the 1982 Agreement such employees regenerate costly benefits.

As a result of these discussions, changes are incorporated in the current agreement which delay regeneration of certain benefits. In response to those changes the Corporation assured the International Union that local Management would discuss with the Local JOBS Committee plans to recall available laid off employees or hire available area hire applicants to fill such short-term openings.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See App. A, K]

Doc. No. 16
PURCHASING ACTIVITY COMMUNICATION

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of these negotiations, many discussions took place concerning the development of a more efficient communication process with the Purchasing Activity, particularly with respect to its role in the sourcing process. To address the Union's concerns in this regard, the Corporation will provide an orientation meeting with senior Worldwide Purchasing management within 30 days of the effective date of the new Agreement. The purpose of the meeting will be to identify employees within the Purchasing organization who will serve as contacts in their area of expertise with the UAW General Motors Department Sourcing Staff. It is understood by the parties that the role of these purchasing contacts will be to provide information to the UAW General Motors Department Sourcing Staff on the Purchasing process, sourcing actions, and supplier quality concerns. To improve the open flow of information relative to any sourcing actions which may be pursued, representatives of the Worldwide Purchasing organization will be included in the Quarterly Joint National Sourcing meetings. Additionally, the National Sourcing Committee will have access to specific information in the Global Purchasing System, through a designated Worldwide Purchasing representative.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, the parties reaffirmed their recognition of the value of an open and candid exchange of views and ideas between officials of the UAW and Corporation management. Of particular importance to the Union is a timely exchange of information on major decisions that will significantly impact the employees it represents.

As a result of these discussions, when requested, arrangements will be made for the Director of the GM Department of the UAW to address the Corporation's Board of Directors or appropriate committee(s) of the Board on a periodic basis.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Financial Secretaries—Dues Check-Off

To: All Personnel Directors
Plants Covered by the GM-UAW National Agreement

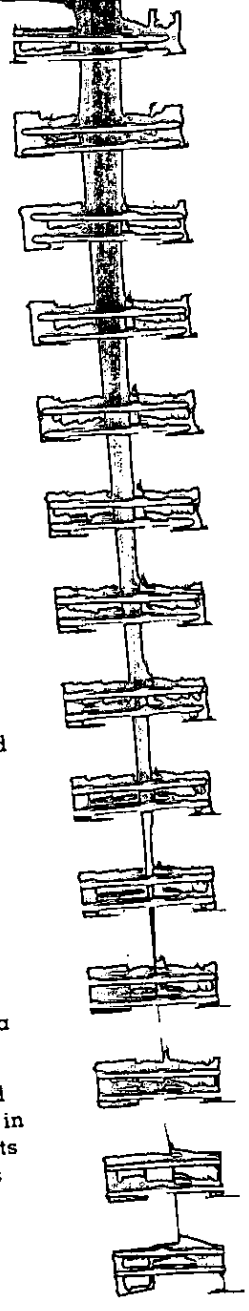
As a part of the current negotiations, General Motors informed the International Union, UAW, that Mr. George B. Morris, Jr.'s letter of November 19, 1973 involving problems of Financial Secretaries would again be published. The text of that letter is as follows:

"During 1973 negotiations, General Motors and the International Union again discussed at length the problems encountered by Financial Secretaries of local unions in maintaining timely and accurate record systems of the dues payments of local union members. Certain new contract provisions in the new Agreement should facilitate the maintenance of these systems.

"Several of the matters raised during these negotiations involve the operation of local procedures, and accordingly, should be dealt with locally within the framework of the following general understandings.

"Local procedures should be such that signed Authorization for Check-Off of Dues forms are made available to the Financial Secretary on a prompt and orderly basis.

"In the case where it is appropriately certified that an employee owes a substantial amount in past dues, mutually satisfactory arrangements may be made to deduct portions of such dues from two or more pay checks.



"Provisions should be made to furnish the Financial Secretary with the respective overall totals of the types of deductions identified in the information furnished pursuant to Paragraph (4o).

"Requests by the Financial Secretary for the employment status of, or compensated hours data for a specific employee, for a specific month for which no dues were deducted, should be responded to without undue delay."

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (4h),(4k),(4o),(4s),(61c)]
[See Doc. 19]

Doc. No. 19
FINANCIAL SECRETARIES – TEMPORARY DELAY OF DUES CHECK-OFF

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed situations where the Local Union was required to refund union dues to a large number of employees. This occurred when employees were laid off after a dues deduction had been made but before they had worked sufficient hours to be liable for dues under the UAW Constitution for that month.

The Corporation advised the Union that in those situations where it is known in advance that a large number of employees (100 or more) are scheduled to be permanently laid off and are not anticipated to work the necessary hours to owe dues under the UAW Constitution, the Financial Secretary may request that the plant delay for one week the deduction of monthly dues. In similar situations where the number of employees being laid off is less than 100, the Financial Secretary may request that the regular deduction of monthly dues for these employees be suspended. These requests must be submitted to the plant Personnel Director one week prior to the payroll period that monthly dues deductions are made.

Upon request of the Personnel Director, the payroll department will initiate the required steps to accomplish this procedure.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (4k),(4o),(61c)]
[See Doc. 18]

Doc. No. 20
APPRENTICE PLACEMENT - CLOSED PLANTS OR DISCONTINUED PROGRAMS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the parties discussed the problems created when apprentices are permanently laid off or reduced from their apprentice classification due to the closing of their plant or the permanent discontinuance of their apprentice classification and as a result not able to complete their apprentice training.

As a result of those discussions, the Corporation agreed to establish an informal procedure whereby such apprentices may, within seven calendar days of their last day worked as an apprentice, apply for consideration for openings in the same apprentice classification at other plants in the same area hire community as described in Document 21 of the National Agreement. Application forms will be made available upon request, and a copy of completed forms will be forwarded to other plants in the area which have an apprentice program in the appropriate skilled classification.

In addition, such apprentices may apply for similar openings in other plants outside the same area hire community. In the event such apprentices cannot be placed in the same area hire community they will be offered available openings in the same apprentice classification in other plants outside their same area hire community. When such apprentices, including those who do not apply, are not placed they may be offered other available openings upon the approval of

the GM-UAW Skilled Trades and Apprentice Committee.

Applicants who are employed in accordance with the above procedure may be eligible for a Relocation Allowance under the applicable provisions of the National Agreement covering similar circumstances.

Eligible apprentices will be given preference for openings in their same apprentice classifications over new applicants from either apprentice application list provided they are capable of performing the work. Selections will be made from among those seniority apprentice applicants with the greater number of completed shop training hours, taking into consideration other factors such as proximity to the employing plant. Acceptance of placement and acquiring seniority at the secondary plant by such apprentices will result in the termination of recall rights to the apprentice training program at such apprentices' former plant(s). Such apprentices will establish a new date-of-entry into the trade at the secondary plant. Credit for prior experience, only for completion of their term of apprenticeship, may be granted at the secondary plant pursuant to Paragraph 132, N.A. These provisions will not be the basis for any claims for back wages or any form of retroactive adjustment.

Disputes regarding the provisions of this letter may be referred to the GM-UAW Skilled Trades and Apprentice Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (63),(64)(c),(96a),(127)(d)(1)]
[See App. A]

MEMORANDUM OF JOINT COMMITMENT EMPLOYEE PLACEMENT FOR CLOSED AND DISCONTINUED OPERATIONS

Both parties recognize the importance of fully utilizing GM-UAW employees in regular, productive work. In this regard, the parties will continue to build on past joint efforts aimed at providing opportunities and incentives designed to encourage laid-off, Protected and active employees to relocate to available job opportunities at UAW-GM facilities outside of their current location, with particular emphasis on placing employees from closed or discontinued operations.

The parties, in committing to continued cooperation in this employee placement effort, recognize that necessary productivity and quality improvements, together with the effects of normal and accelerated attrition activities, have had and will continue to have a significant impact on staffing requirements at GM locations.

The parties agree that an employee placement, relocation and stabilization program will be jointly developed for closed and discontinued operations which will encourage accelerated retirements, relocation and placement of affected employees. Such program will be tailored on a mutually agreeable basis to the individual needs and circumstances of affected locations. A detailed plan, including a range of specific alternatives from which the employee will choose, will be offered to affected employees at the earliest practical time but in no event later than 60 days after the closing or discontinuation of an affected operation.

Doc. No. 22
NOTICE TO LAID OFF EMPLOYEES OF ANTICIPATED RECALL

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Notice to Laid Off Employees of Anticipated Recall

To: All General Managers
All Personnel Directors

As a part of current negotiations, General Motors informed the International Union, UAW that Mr. George B. Morris, Jr.'s letter of November 22, 1976, concerning Notice to Laid Off Employees of Anticipated Recall would again be published. The text of that letter is as follows:

> "During 1976 negotiations, the parties discussed at length the problems involved in recalling large masses of employees back to work from layoff in situations such as the addition of a shift at a plant. Both parties recognized the mutual interest that would be served by the local management notifying laid off seniority employees in advance of such known mass recalls to facilitate the orderly recall when it in fact occurs.
>
> "Accordingly, when mass recalls are anticipated sufficiently in advance at a local plant, local management and the local union should discuss the matter of a pre-recall notification to employees in an attempt to arrive at a mutually satisfactory method to implement the notice.
>
> "It is mutually recognized that such notice or lack of notice will be without prejudice to either party in the application of any terms of the National Agreement or any local agreements. Moreover, any agreement reached with respect to advanced

> notice of anticipated recall will not be cited or relied upon by an employee or the union or the management as a basis for a claim for or denial of back pay."

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations
[See Par. (64)(d)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will confirm our advice to you during the recent negotiations that in the event a seniority employee is laid off in a reduction in force and an employee rating form is completed, no indication will be made on such form as to whether or not the employee is recommended for rehire at that plant or for preferential hiring consideration under Appendix A of the National Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See App. A)]
[See Doc. 21]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, the Union expressed concern that the increased requirements on the Committeepersons' time for attendance at management meetings was, on occasion, preventing employees from receiving representation in a timely manner.

In this regard, the Corporation and the Union agreed that when such a situation exists, the local parties will allow the Alternate District Committeeperson to handle current grievances until such time as the District Committeeperson becomes available.

In the case of District Committeepersons who are also members of the Shop Committee pursuant to Paragraph (11) of the National Agreement, the local parties will allow their Alternate District Committeepersons to handle current grievances during the period that such District Committeeperson is legitimately involved in meeting with Management at Step Two and Step Three of the Grievance Procedure or during other mutually agreed upon local contract negotiations meetings.

Any problems in this area should be raised with the GM Department of the UAW or with the Corporation Labor Relations Staff.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (19),(25)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, General Motors reaffirmed the matter of Mr. L. G. Seaton's December 15, 1967 letter to the International Union, UAW regarding the Corporation's "closed plants" policy as it affects vacation pay of certain employees. The text of that letter is as follows:

> "During recent contract negotiations, the parties discussed General Motors' long standing policy ('closed plants' policy) applicable to employees who, after receiving a vacation pay allowance at a General Motors plant based on seniority held in some other General Motors plant, broke seniority at the other General Motors plant under Paragraph (64)(e) of the National Agreement. They also discussed the effect of Paragraph (188) of the new National Agreement on these employees and on employees to whom Paragraph (187) of the 1961 National Agreement was applied.
>
> "The Corporation informed the International Union that during the term of the new National Agreement the provisions of Paragraph (188) shall apply to an employee whose vacation pay allowance was computed, as of his latest vacation pay allowance eligibility date under the 1961 National Agreement, in accordance with the

> Corporation's 'closed plants' policy or in accordance with the provisions of Paragraph (187) of the 1961 National Agreement, notwithstanding the fact that Paragraph (188) refers to seniority being broken 'hereafter.'"

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Prior Seniority - Vacation Pay

To: General Managers
Personnel Directors

As a part of the current negotiations, General Motors informed the International Union, UAW that the George B. Morris, Jr. letter of November 19, 1973 regarding prior seniority would again be published. The text of that letter is as follows:

"During 1973 national negotiations, discussions were held regarding employees who had prior seniority in another General Motors plant which has not been recognized in the computation of vacation pay allowance.

"The Corporation agreed that a period will be established during which such an employee can apply for use of such prior seniority in calculating future vacation pay allowances provided the employee meets the following criteria:

"1. Written application is made no later than February 28, 1974 on forms provided by the Corporation at the local plant Personnel Departments. (For employees with seniority dated between July 1, 1954, and July 1, 1960, who are on seniority layoff or leave of absence as of the effective date of the 1973 National Agreement, an application will be mailed to their address of record.)

"2. The employee has continuously held seniority at the plant in which he is now working, and elected to remain at work at such plant rather than accept recall to the

plant in which he held an earlier seniority date, and as a consequence, such earlier seniority was broken pursuant to Paragraph (64)(d) between July 1, 1953, and July 1, 1960, inclusive.

"3. Adjustments to vacation pay allowance eligibility under these provisions shall only be made in those cases which can be substantiated by information contained in, or originating from, General Motors records.

"4. The employee meets all other National Agreement eligibility rules.

"Once the earlier seniority date is recognized as provided above, it shall be applied on the employee's vacation pay allowance eligibility date following the effective date of the Agreement.

"It was further understood that nothing in this letter would serve to change an employe's current annual vacation pay allowance eligibility date."

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (188)]

Doc. No. 27

MEMORANDUM OF UNDERSTANDING REGARDING DRUG TESTING

During 1990 National Negotiations, the parties discussed at length the worsening drug problem in our country and the rising incidence of chemical dependency. Chemical dependence on the part of employees impacts the workplace in terms of quality, productivity, and effectiveness of operations, while threatening the safety and well-being of both the chemically-dependent employee and his/her co-workers. As a result, the parties agreed to institute a screening program and to periodically review it during the term of the agreement and make adjustments where deemed appropriate. This memorandum reflects such screening program and adjustments to it.

PROCESS

Employees may be screened for substance abuse (alcohol and drugs) in the following instances:

1. As part of a return to work physical for employees returning from substance abuse related sick leaves of absence.

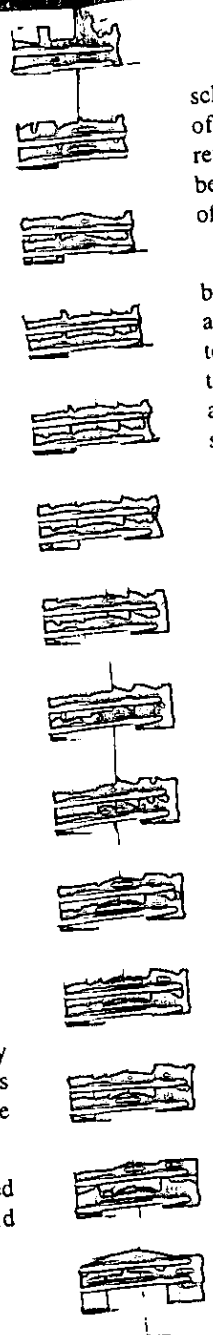
2. As required by law; such as, F.A.A., D.O.T. and D.O.D.

All testing and reporting will be conducted in accordance with the guidelines established by the Department of Health and Human Services.

IMPLICATIONS

It is not the intent of the testing requirements to imply that an employee is impaired at the time a sample is provided for testing. An individual who tests positive will be handled in the following manner:

1. FIRST POSITIVE: The employee will be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of three months.



2. SECOND POSITIVE: The employee will again be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to again be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of six months.

3. THIRD POSITIVE: The employee will again be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to again be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of twelve months.

4. FOURTH POSITIVE: The employee will be discharged regardless of prior disciplinary record or length of service. Grievances protesting irregularities in the testing procedure may be taken through the grievance procedure; however, extent of penalties arguments are not subject to the Umpire's discretion.

All positive test results will be subject to a mutually agreed to third party evaluation upon request of either party. Problems selecting a third party may be referred to the National Work/Family Committee. Employees who refuse to be tested will be treated as though they had tested positive.

Once terminated, if the employee satisfactorily documents to local management and local union six months continuous sobriety, within the 60 months following discharge, the employee will qualify for re-

employment under Article VII of Document 39 of the National Agreement.

International Union, UAW **General Motors Corporation**

Dated: September 18, 2003

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Re: Federally Mandated Drug Testing

During these negotiations, the parties discussed the subject of drug testing mandated by the Department of Transportation, the Federal Aviation Administration, and the handling of positive drug tests under this legislation.

It is the Corporation's intent to continue the practice of removing employees who test positive from the covered job.

If an employee who is required to be tested by law, tests positive then transfers to a non-covered classification, the employee will be removed from the drug testing pool and will not be subject to further drug testing except in the case of return from substance abuse related sick leave. Such employees will not be returned to a covered job until submitting to a further drug screen and testing negative. The parties will discuss and develop a process for the placement of employees who have tested positive and wish to be placed in an assignment involving the use of motorized equipment requiring a license.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 29
PERSONNEL PRACTICES

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1999 negotiations, the subject of personnel practices with different application to hourly and salaried employees was again discussed as an area giving rise to the appearance of a "double standard" of treatment. To this end, it was agreed to republish the text of the October 8, 1987 A. S. Warren, Jr. letter on the subject of such personnel practices:

"During these negotiations, the Union expressed concern regarding certain plant personnel practices that have different application to salaried and hourly employees. It was stated that such practices may adversely impact employee attitudes thereby affecting union-management efforts to improve local operations and the work environment.

"The Corporation responded by describing the many innovative and varied approaches taken by local parties in an increasing number of plant locations to address these issues.

"Accordingly, it was agreed that such matters are more appropriate for discussion by the local parties as part of their continuing efforts to establish a work environment and relationship characterized by mutual respect and trust."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc.No. 30
GM EQUAL OPPORTUNITY EMPLOYMENT POLICY

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The following is the text of the written and published policy of General Motors in employment:

"Operating as it does on a nationwide basis, General Motors Corporation offers employment opportunities to many people in many different locations throughout the United States.

"The policy of the Corporation is to extend these opportunities to qualified applicants and employees on an equal basis regardless of an individual's age, race, color, sex, religion, national origin, disability or sexual orientation.

"Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation Equal Opportunity Employment Policy."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Preface, Par. (6a),(63),(153)]
[See Doc. 31,32,33,99]

GENERAL MOTORS CORPORATION

September 18, 2003

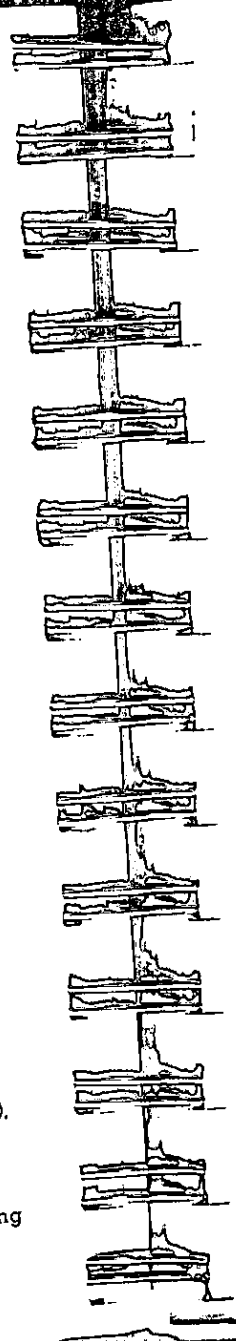
Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the current negotiations, General Motors and the International Union, UAW reaffirmed the matter of the Corporation's letter of November 19, 1973, regarding the National and Local Equal Application Committees. In line with that letter, the Parties have agreed to the following:

For many years the Corporation and your Union, in their respective fields, have been leaders in adopting and effectuating policies against discrimination because of age, race, color, sex, religion, national origin, disability or sexual orientation, and sexual harassment and to this end the parties have expressly incorporated Paragraph (6a) in their National Agreement that both insures adherence to that principle in all aspects of employment at General Motors and provides the contractual grievance and arbitration procedure for the resolution of alleged violations of that principle.

The parties recognize the desirability of increased communication and cooperative effort on this subject (1) to encourage employees and grievance representatives to use the grievance and arbitration procedure as the exclusive method for prompt resolution of all claims of violations of Paragraph (6a), (2) to determine the cause of such claims in order to reduce the probability of these claims arising or recurring, (3) to maintain liaison with appropriate federal and state civil rights agencies for the following



purposes: (a) to increase understanding, (b) to promote and encourage the use of the grievance and arbitration procedure in order to avoid multiplicity of litigation in many forums simultaneously which is frequently time consuming, contradictory and hence, nonproductive to relieving employee problems, (c) to seek solutions to mutual problems, (d) to relieve tensions in this area, and (e) to exchange information, expertise and advice, and (4) to provide and monitor jointly approved diversity training modules.

Accordingly, the parties agree to establish within thirty (30) days of the ratification of the National Agreement dated today a National Equal Application Committee and Local Plant Equal Application Committees.

The National Equal Application Committee will be composed of three (3) representatives of the International Union, one of whom will be a member of the International Union's Civil Rights Committee, or a designee, and three (3) representatives of the Corporation, one of whom will be active in the Corporation's equal employment opportunity programs. The National Committee will meet quarterly or more frequently if mutually deemed desirable or necessary and its functions shall be the following:

a. Review and discuss ways and means of encouraging employees and grievance representatives to use the grievance and arbitration procedure as the exclusive method to resolve claims of violations of Paragraph (6a).

b. Conduct or arrange for investigations and/or studies into the cause of equal employment opportunity and discrimination problems and tensions in an attempt to prevent such problems from arising or recurring.

c. Maintain liaison with appropriate federal and state agencies for purposes set forth in the second paragraph of this letter.

d. Review and discuss ways and means of implementing General Motors policy regarding

employment of individuals with disabilities set forth in the letter from Troy A. Clarke to the International Union.

e. Advise and counsel Local Plant Equal Application Committees.

f. Review and develop jointly the necessary tools that would allow the National Equal Application Committee to audit, monitor and evaluate UAW-GM local plant diversity environments and initiatives. These tools will also be available online via the UAW-GM website.

g. A joint National Critical Intervention Team will be established to provide onsite assistance to the local plant Equal Application Committee, upon request of the Local Joint Activities Committee.

h. A Diversity Training Program will be made available to all UAW-GM local plant leadership.

At each plant or facility that the National Agreement covers, a Local Plant Equal Application Committee will be established consisting of three (3) representatives of the Local Union and two (2) representatives of Management. The three (3) representatives of the Local Union shall consist of the Chairperson of the Shop Committee, the Chairperson of the Civil Rights Committee of the Local Union and the Local President. The two (2) representatives of Management shall be the Plant Manager, or a designated representative, and a member of Management at the plant active in the Corporation's equal employment opportunity program. Local Plant Equal Application Committees will meet on a scheduled quarterly basis, and shall have the following duties:

a. Recommend to the National Committee ways and means of promoting use of the grievance procedure as the exclusive method for resolving claims of violations of Paragraph (6a).

b. Suggest guidelines for Union and company representatives active in the grievance

procedure in the proper and prompt handling of grievances alleging such claims.

c. Recommend to the National Committee means for determining the cause of equal employment opportunity and discrimination problems and tensions in the plant.

Where the Chairperson of the Civil Rights Committee of the Local Union is an employee of the plant wages will be paid for time spent attending the quarterly meetings.

Copies of the minutes from these meetings will be made available to the Union.

In addition, the Chairperson will be permitted to leave work up to four (4) hours per week during straight time hours to conduct in-plant investigations of written grievances alleging a violation of Paragraph (6a) of the National Agreement.

The parties continue to recognize their legal and moral responsibility for assuring that all General Motors employees have equal employment opportunities and freedom from discrimination as set forth in Paragraph (6a) of the National Agreement. Consequently, the function of the National Equal Application Committee and Local Plant Equal Application Committees shall be advisory, consultative and cooperative. While the Corporation and the Union will welcome the recommendations the Committees may make, the Committees may not commit either party to a specific course of action. However, the Union agrees that it will encourage its members to utilize the grievance and arbitration procedure as the means of resolving claims or complaints against the Corporation which allege a violation of Paragraph (6a).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See App. H]
[See Doc. 30,32,33,99]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The following is the text of the written and published policy of General Motors Corporation regarding employment of individuals with disabilities:

> "The policy of the Corporation is to make reasonable accommodation to the limitations of qualified individuals with disabilities and to extend employment opportunities to such persons taking into account the needs of the business and financial cost and expenses.
>
> "Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation policy regarding employment of individuals with disabilities."

Consistent with the foregoing policy, the requirements of Section 503 of the Rehabilitation Act of 1973 and the Americans with Disability Act and the rules and regulations promulgated thereunder, General Motors represents that it will affirmatively act to employ, advance in employment and otherwise treat qualified

individuals with disabilities without discrimination based upon their physical or mental disability in all employment practices.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

See Par. (6a)]
[See Doc. 30,31,33,99,107]

GENERAL MOTORS CORPORATION

September 18, 2003

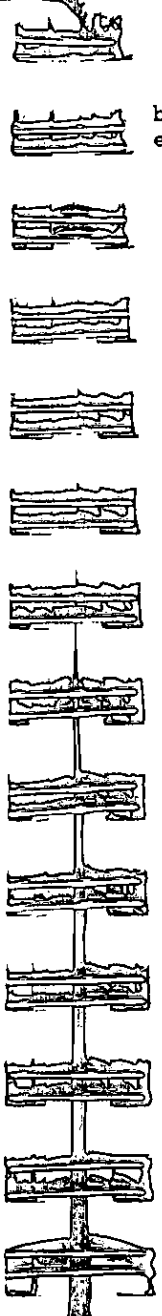
Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The following is the text of the written and published policy of General Motors Corporation regarding employment of Disabled Veterans and Veterans of the Vietnam era:

> "The policy of the Corporation is to make reasonable accommodation to the limitations of qualified Disabled Veterans and to extend employment opportunities to Disabled Veterans and Veterans of the Vietnam era taking into account the needs of the business and financial cost and expense.
>
> "Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation policy regarding employment of the Disabled Veterans and Veterans of the Vietnam Era."

Consistent with the foregoing policy, the requirements of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and the rules and regulations promulgated thereunder, General Motors represents that it will take affirmative action to employ, advance in employment and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination



based upon their physical or mental handicap in all employment practices.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (6a)]
[See Doc. 30,31,32,99]

Doc. No. 34
REVIEW PERSONNEL RECORDS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Union expressed concern regarding the rights of employees working outside the State of Michigan to review their personnel records. The right of employees to inspect their own personnel files was afforded employees in Michigan in accordance with the 1978 Michigan Employee Right to Know Act.

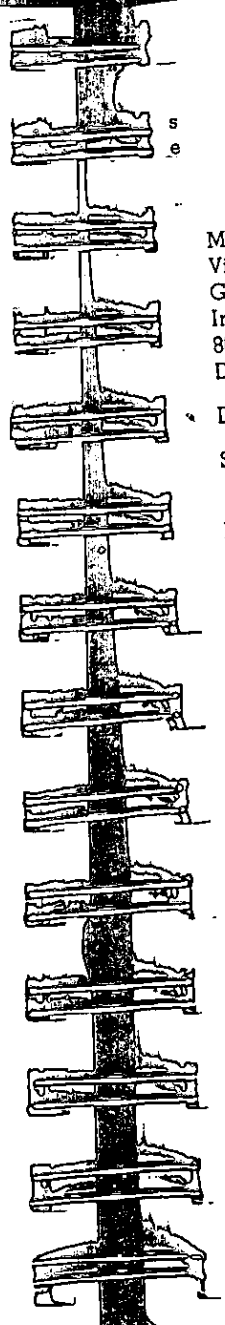
This will confirm that the right to review individual personnel records, established by the above-mentioned Michigan law, will be extended as a matter of policy to General Motors employees throughout the United States.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (76b)]



Doc. No. 35
GM SERVICE PARTS OPERATIONS - TANDEM SYSTEM

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: GM Service Parts Operations - Tandem System

During the current negotiations, the Union expressed concern that the installation of an upgraded computer system in conjunction with the mechanization of the "Tandem System" would be used to establish work standards and gather data for purposes of disciplinary action.

It was pointed out that the use of the upgraded computer equipment is to facilitate order consolidation, mechanize the recording of material movements and accomplish more efficient direction of warehouse functions. The information accumulated and generated by this equipment will not be used to establish production standards or to initiate or support disciplinary action.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the term of the 1984 Agreement, the parties developed a National Paid Educational Leave (PEL) Program which provided selected employees with a unique educational opportunity to enhance their knowledge of the automobile industry. Sponsored candidates are approved in advance by the UAW-GM Center for Human Resources. Expenses and lost time for participants in the program are provided from National Joint Training Funds.

The jointly developed and administered PEL Program utilizes industry experts, university analysts and political officials to examine and discuss the economic, technological, and political forces influencing the future of the world-wide automobile industry. This innovative, jointly administered labor-management program has been enthusiastically received by attendees, and UAW and Corporation officials. Academicians, Governmental representatives, writers for world-wide news and trades publications have examined the program and view it as a positive step forward in the industrial relations process. A local version of the PEL Program has also been jointly developed and is currently operating at numerous locations. During these negotiations, the Parties reconfirmed their support of the National and Local PEL Programs and agreed, under the direction of the Executive Board — Joint Activities, to continue to

explore methods of updating such information and sharing it with a broader range of General Motors employees including appropriate management representatives, and make jointly agreed upon modifications on an ongoing basis.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (113)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed matters related to the Resource and Referral Services-Work/Family Program.

Work/Family Program Representatives will provide resource and referral information, program promotion and awareness for all Work/Family Programs. These programs include the Employee Assistance Program, Child Care and Elder Care Resource and Referral, Childcare Consortiums, Workplace Violence Training, and Critical Incident Response.

These Work/Family Programs provide quality information to help employees make more informed choices as consumers of Work/Family services.

The joint parties agree to provide a Childcare Network of providers to assist workers with their childcare needs. Based on the data collected and recommendation of the joint parties, the Executive Board-Joint Activities will review and evaluate the scope of such a network.

Under direction of the Executive Board-Joint Activities, the UAW-GM Center for Human Resources will be responsible for program development, determination of delivery methods, coordination and evaluation.

Funding will be provided by National Joint Training Funds.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

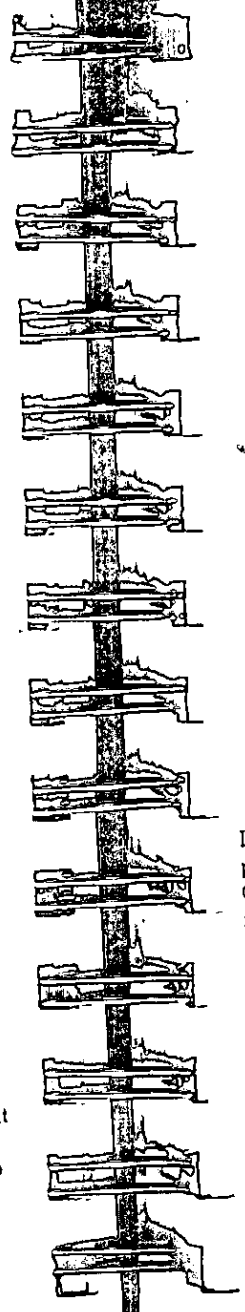
Dear Mr. Shoemaker:

The parties have long recognized the importance of providing orientation programs for new employees. Many of these programs resulted from the diligent efforts of plant employee groups and have addressed such topics as quality, teamwork, safety, and joint programs in addition to those items new employees must know to perform their jobs.

"Men and women enter the work force today with little or no knowledge of what is expected of them as employees and as union members in a unionized, industrial plant community. Many of them have not been adequately prepared to cope with industrial situations in which they suddenly find themselves.

"New employees come to General Motors with little or at best incomplete information about their employer and their union. They have little knowledge of the extensive economic benefits available to them as agreed upon in collective bargaining between the UAW and General Motors over a period of more than thirty years.

"Many new employees may be unaware of the commitment of GM and the UAW to fair employment practices and to the application of the National Agreement to all employees without regard to age, race, color, sex, religion, national origin, disability or sexual orientation. They are not familiar with basic contract provisions



covering such subjects as transfers, promotions, shift preference and seniority. They may be unaware of the opportunities for advancement to highly paid skilled trades jobs through the Apprentice and EIT programs. They tend to be unfamiliar with the obligations of the employee to his job, to the union and to his employer. Many are unaware of the importance of regular attendance, quality workmanship and the need for cooperation by all in getting the job done. Too often they are unacquainted with the various procedural matters related to their job and their relationship to their union and their employer.

"New employees usually have little knowledge of the long history of the UAW and of the administrative structure of the UAW at the International and local union levels. They do not understand about their relationship to the union, about the initiation fees and dues requirements and their rights within the union contained in the UAW Constitution and guaranteed by right of appeal to the Union's Public Review Board.

"Frequently, they have never seen the inside of a manufacturing plant before and are unfamiliar with the operations, the nature of the product and how it is used."

In this regard, the parties agreed to supplement local plant programs by providing a national New Employee Orientation Program through the auspices of the Center for Human Resources. The program will be developed by a joint study team of UAW and GM representatives and technical consultants. The focus of the program will be on national materials that explain the respective roles of GM and the UAW, the state of the auto industry, the changing composition and diversity of the work force, the negotiated joint programs, and how employees, Management, and the Union work together to foster employee well-being and Corporation business success which benefits both employees and communities.

ORIENTATION PROGRAM

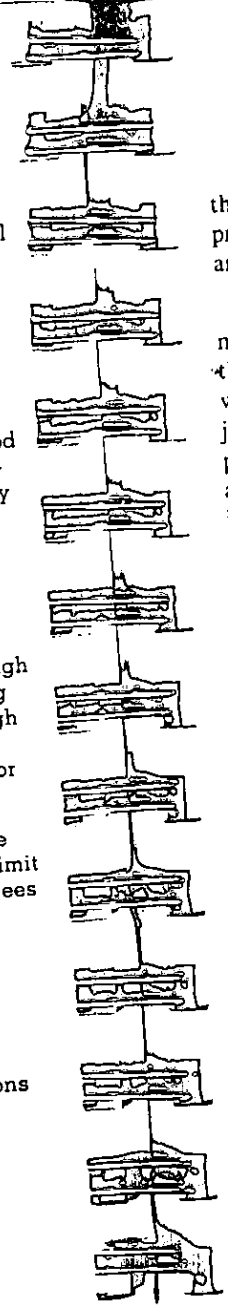
The national program ensures uniformity of message and treatment. Throughout the development of the orientation program, the Center for Human Resources will obtain broad-based feedback from group/divisions, plant and Union representatives to ensure the program best meets the needs of its customers. The program will be made available to requesting locations, including appropriate support on how to deliver it most effectively. It is anticipated the national program will be packaged in a self-contained module to provide local parties the flexibility to incorporate it into their ongoing local orientation programs as they deem appropriate. Locations should make the program available to new employees within a reasonable period of time. The national program content will be kept up-to-date and the program will be evaluated periodically to ensure it is meeting its goals. Training will be provided as needed to Corporation and Union representatives from each location responsible for administering the program.

Development and promotion of the national New Employee Orientation Program shall be funded through the UAW-GM National Joint Training Funds. Ongoing costs incurred at each location may be funded through Local Training Funds. Local parties may request funding for ongoing program costs from the Center for Human Resources, as necessary.

The New Employee Orientation Program shall not be subject to the Grievance Procedure nor in any way limit communications by the Corporation with its employees or by the Union with its members.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations



MEMORANDUM OF UNDERSTANDING EMPLOYEE ASSISTANCE PROGRAM

General Motors and the International Union express their determination to work jointly with personal problems including substance abuse and mental health among GM workers and their families.

Alcoholism and drug dependency is recognized by medical, public health authorities, General Motors and the UAW as a disease. These diseases can impair workers' ability to function in their lives and on their jobs. Alcoholism and drug dependency as well as other personal problems contribute to increased absenteeism and tardiness and deterioration of job performance. This in turn disrupts work schedules with consequent dissatisfaction among the majority of workers who are sincerely trying to do conscientious jobs. The combination of factors is recognized as having a potentially damaging effect on plant efficiency and endangers the job security of the worker.

The causes of personal problems including alcoholism, drug dependency and mental health are not well understood and cures are difficult. Nonetheless, General Motors and the UAW believe that constructive measures are possible to deal with these problems which can be a major cause of family breakdown and are related to personal breakdown and violence in the community.

I. Objective

The objectives of this joint effort are to help employees and their family members develop healthier life styles and enhance the effectiveness of the workforce. Further the purpose of this program is designed to help prevent the development of personal problems and provide access for treatment and after care for those already affected.

General Motors and the International Union acknowledge that neither local management nor the local union working alone can always provide the level of motivation required by employees experiencing personal problems. As a result, joint efforts are imperative in encouraging the employee to seek EAP services, as needed, to respond successfully to treatment, and to maintain a resolve to avoid further personal problems.

II. Guidelines for Administration

Responsibility for directing and coordinating these efforts will be the principal function of the National Work/Family Program Committee. The Committee will be comprised of an equal number of representatives from the respective organizations and will be co-chaired by the Vice President - Labor Relations for General Motors and the Vice President and Director of the GM Department of the UAW, or their designated representative(s). This Committee will engage in joint efforts and function administratively in consultation with a Work/Family Committee comprised of local management and local union personnel which will review the efforts of the local Work/Family team on a regular basis. The Committee will meet regularly for the purpose of reviewing the administration and operation of the UAW-GM Employee Assistance Program, resolving issues not otherwise resolved and providing direction and consultation to local Work/Family Committees.

The National Joint Program Administrators, the National Benefits Administrators and CDR Representatives will meet periodically to discuss issues impacting EAP program administration. In this regard it is important to:

1. Generate a climate at the plant level which will eliminate the effects of the social stigma associated with mental disorders, alcoholism and drug dependency, and other personal problems which act as a barrier to employees seeking help to resolve personal problems;

2. Insist that local management and the local union at all levels exercise their best efforts toward the objective of earlier identification and motivation of the employee to accept EAP services;

3. Assure confidentiality in working with the employee;

4. Assist in developing educational and informational materials for use at the plant level.

III. Local Employee Assistance Program Administration

The local Work/Family Committee consists of the Plant Manager or a designated Management representative, the Plant Personnel Director, the President of the Local Union and the Chairperson of the Shop Committee. It will be the responsibility of this Committee to review on a periodic basis the local Employee Assistance Program.

General Motors and the International Union will designate representatives of local management and representatives of the local union to work jointly on these problems. Among the responsibilities of the local Work/Family team are:

1. In cooperation with the central review organization (CRO), the carrier and the local central diagnostic referral (CDR) agency, survey community resources to determine the availability of appropriate treatment facilities and the cost of treatment. Where facilities are inadequate or unavailable, undertake efforts to improve the situation.

There will be an assessment by a CDR within 24 hours of a Work/Family representative's direct referral resulting from a medical emergency. While the parties recognize the value of providing timely assessments,

they also recognize that there may be situations where the 24-hour assessment does not occur. On a case-by-case basis, the joint parties will review such situations and undertake efforts to improve the situation.

2. Help employees understand that they may consult on a confidential basis with the local Work/Family team, or an outside central diagnostic and referral (CDR) agency, concerning the employee's problem.

3. Arrange for the local union benefits representative to be available to explain to the employee and others who may be involved the extent to which recommended treatment qualifies for payment under the GM Health Care Program.

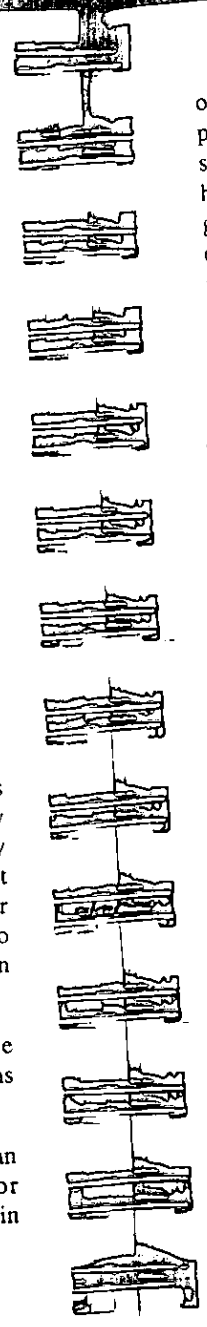
4. Establish and maintain active aftercare and follow-up programs. Help employees understand the therapeutic benefits of self-help groups and engage EAP participants in these group activities.

General Motors and the International Union acknowledge that:

1. Nothing in this statement is to be interpreted as constituting any waiver of Management's responsibility to maintain discipline or the right to invoke disciplinary measures in the case of misconduct which may result from or be associated with the use of alcohol or drugs or personal problems. The union may exercise its right to process grievances concerning such matters in accordance with the GM-UAW National Agreement;

2. During or following treatment the employee should not expect any special privileges or exemptions from standard personnel practices; and

3. When a leave of absence is necessary so that an employee may undergo medical treatment for alcoholism or drug dependence or personal problems in



or from an appropriate facility in accordance with this program, and when the employee has voluntarily submitted to such treatment and provided the employee has unbroken seniority, sick leave of absence will be granted pursuant to the National Agreement and the employee will be eligible for benefits in accordance with the GM Health Care and Life and Disability Benefits Programs as negotiated with the International Union.

IV. Additional Understandings

During the course of 1996 Negotiations, the parties held extensive discussions over a wide range of EAP subjects. The following represents the highlights of those discussions and the commitments arrived at between the parties:

1. A key ingredient in combating personal problems lies in education, early identification and early intervention. Accordingly, the National Work/Family Committee has developed a comprehensive education and training program directed at all levels of local management, local union, and the work force. Administrative costs of the program will be funded by the Executive Board-Joint Activities.

2. The National Work/Family Program Committee through a series of meetings, with input from Work/Family Representatives in the plants, has developed Standards for UAW-GM Work/Family Programs. Those standards are incorporated by reference into the terms of this Memorandum, including revisions or modifications the parties may make in the future. Problems related to the implementation of these standards will be brought to the attention of the UAW-GM Center for Human Resources, Work/Family Program Staff for resolution.

3. The National Work/Family Program Committee will continue efforts towards facilitating the professional development of individual plant Work/Family Representatives. UAW appointed Work/Family Representatives may pursue a mutually agreed upon EAP Certification recognized by the National Organization of Competency Assurance (NOCA). The NOCA certification will be added to the UAW-GM Work/Family Program Standards.

Additionally, the parties will identify a new internal or external association for Work/Family Representatives.

V. Work/Family Representation

1. Work/Family Representatives will be scheduled to report for Work/Family representation purposes during overtime, part-time or temporary layoffs, or inventory when 50% or more of the people they represent on their respective shifts are scheduled to work.

2. During overtime hours, when less than fifty percent (50%) of the people they represent on their respective shifts are scheduled to work, they will not function pursuant to this Memorandum of Understanding, but will be scheduled to perform Work/Family Program activities if they would otherwise have work available in their equalization group.

VI. Drug Testing

Because of the recent emergence of a substantial body of legislation requiring drug testing of many of the Corporation's employees, both represented and non-represented, the parties have had extensive discussions surrounding drug testing and have agreed to the following:

1. All drug testing performed will be conducted in accord with applicable laws mandating or regulating

such testing; such as, Federal Aviation Administration, Department of Transportation, or Department of Defense.

VII. Conditions of Employment Guidelines - For those Employees in the Employee Assistance Program Whose Seniority has been Broken

When Employee Assistance Program participants or other employees suspected of being in need of EAP services return to work, the following can be agreed upon between the bargaining unit representative, Labor Relations, the Work/Family team and the employee.

The specific items to be included will depend on the individual case and should be developed to meet the particular circumstances. Accordingly, items one through five may be recommended for inclusion in a condition of continued employment by the joint Work/Family team.

1. Participation in in-plant self-help meetings. Length of participation that will be required and frequency of meetings can be either specified in advance or left up to the discretion of the Work/Family team.

2. Participation in outside self-help groups and mandatory completion of an aftercare plan which might include antabuse recommended by a treatment facility and monitored by the Work/Family team.

3. Mandatory cooperation in follow-up and monitoring for a period of time specified by Work/Family team members.

4. Periodic scheduled urine screening when it is felt this procedure could be of value in monitoring and encouraging abstinence. In cases of positive findings, the results must be confirmed by a second testing method.

5. A specific period of total non-use of alcohol or other drugs can be agreed to between the parties. The Work/Family team and the employee must concur with this probationary period which is defined as not less than six months nor more than two years and it must be understood by all parties that resumed use could result in termination of employment during this period.

The above items (one through five) will be administered jointly by the Work/Family team for those employees returning under these conditions. Any conditions of continued employment agreed to by Management, the Union and the employee are considered contractually binding and non-compliance could result in disciplinary action up to and including discharge. The employee's previous disciplinary record and action which may be taken for further misconduct will be matters reserved to the actual settlement of any grievance(s) involved and/or will be resolved between the bargaining unit representative and Labor Relations.

The seniority status of the employee must be specified as either a new hire or reinstatement of former seniority. If seniority is reinstated, all rights and privileges which would normally accrue in line with the reinstated seniority under the terms of the national or local agreement must be granted.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Antonio Ortiz	Dean W. Munger
Henderson Slaughter	Larry E. Knox
	Andrea Ebbitt

[See Doc. 46,102,114]

MEMORANDUM OF UNDERSTANDING QUALITY NETWORK

During the course of prior negotiations, General Motors and the International Union, UAW, held extensive discussions about the quality of our products and services. There is ongoing recognition on the part of both parties to the National Agreement that the cornerstone of job security for all General Motors employees is the design, engineering, and manufacturing of the highest quality, customer-valued products and services. This is reflected in the extensive efforts both parties have devoted to the subject of quality, both on the national and local levels, exemplified by the formation and institution of the UAW-GM jointly developed Quality Network process. The Quality Network process is General Motors' only Total Quality Management System utilized at UAW-represented locations.

Further, the parties recommitted themselves to the ongoing implementation of the Quality Network. This jointly developed quality improvement process emphasizes customer satisfaction and enthusiasm, continuous quality improvement, and elimination of waste in the design, engineering and manufacturing of products and services provided.

During the past several years, the Corporation in cooperation with UAW leadership, together with the men and women of General Motors, have worked together within a spirit of teamwork to improve product and service quality. This spirit of cooperation has resulted in substantial improvement in the quality of the Corporation's products and services.

The parties recognize that the design, engineering and manufacturing of the highest quality, customer-valued products and services is essential to secure the Corporation's position in the global market and assure

job security. The Corporation stated that high-quality products and services have to be the result of a total quality improvement process if General Motors is to continue to be the world leader in transportation products and related services.

Accordingly, General Motors' process for total quality management is the Quality Network-the one process for total customer satisfaction and enthusiasm utilized at UAW-represented locations. Although Management has the ultimate responsibility for the Quality Network, it is recognized that UAW leaders and members are valuable partners in the development of the process, the action strategies, and its implementation plans.

This relationship is reflected in the extensive efforts both parties have devoted to the subject of quality, both on the national and local levels, exemplified by the institution of quality councils at appropriate levels throughout the GM North America (GMNA) Region and Electro-Motive Division.

It is recognized that the point where product design, technology, process and materials come together and must work in harmony is at the worker/supervisor level in the organization. High-quality products and services result from a well-managed process that motivates employees to work together within a spirit of teamwork to continuously improve customer satisfaction and enthusiasm. In this process, it is recognized that seeking opportunities for continuously improving product and service quality must be the foundation for customer satisfaction. It is acknowledged that it is ultimately Management's responsibility to establish and assure product and service quality requirements. Further, it is Management's responsibility to provide the processes for continuous quality improvement that support all employees based on the Beliefs and Values. The Beliefs and Values are recorded in the Vehicle Development and Technical

Operations (VDTO) Staff Policy (revised 1/10/95) section of the General Motors Corporate Policy Manual, and are referenced as "Quality Network" (VDTO-01 and VDTO-02). This manual outlines specific policies to be followed throughout General Motors Corporation. The VDTO-01 and VDTO-02 documents will be revised and made available through the Quality Network website. This document states in part:

> "Guided by the Beliefs and Values, implementation of the Quality Network will lead to the highest satisfaction of the ultimate customers-those who buy GM products and use our services. This value system represents significant expectations. It is crucial that behavior is aligned with these values and that decisions and actions are tested against them. We must constantly monitor our behavior to be certain our actions are consistent with the commitments that have been made to the men and women of General Motors."

It is recognized that performance of high-quality work is everyone's responsibility and, as a result, it is intended that the Quality Network Representatives and UAW leadership working together with local management will reinforce other ongoing quality improvement activities.

The parties also discussed the necessity for all GM employees to take individual responsibility for product and service quality. Management's business planning process will include the necessity for providing employees with the appropriate training, methods and systems, materials, and equipment in an appropriate environment based on the Quality Network Beliefs and Values to perform their work. It is then incumbent upon employees to exercise diligence and properly perform their work to produce the highest quality, customer-valued products and services.

It is only through personal commitment from every GM employee to provide the highest quality, customer-

valued products and services that we will satisfy our customers and maintain job security for all. Quality Council leadership at all levels within the GMNA Region and Electro-Motive Division, and the UAW will review and apply the training and principles set forth in the Quality Network Environment Action Strategies to assure the necessary level of understanding to lead this effort.

The general guidelines for the parties to provide additional support to employees in this quality improvement process are as follows:

I. Quality Network Structure

During the term of the 1993 GM-UAW National Agreement, restructuring within the Corporation resulted in the NAO UAW-GM Quality Council being renamed the "UAW-GM Leadership Quality Council." The following represents the Quality Network Structure:

A. The UAW-GM Leadership Quality Council is co-chaired by the President of the GM North America Region, the Group Vice President of Manufacturing and Labor Relations, and the Vice President and Director of the UAW General Motors Department. All Group/Divisional Quality Councils, as listed herein, will be subject to and in compliance with the direction and support provided by this Council for Quality Network activities. The UAW-GM Leadership Quality Council membership includes representatives from the GMNA Region Strategy Board, Operations Vice-Presidents, and designated UAW leadership. The UAW-GM Leadership Quality Council will meet a minimum of four times per year. The responsibilities of the UAW-GM Leadership Quality Council include, but are not limited to:

1. Providing direction and support for Quality Network activities,

2. Establishing annual objectives and goals,

3. Utilizing appropriate common measurements to monitor progress toward accomplishing the annual Quality Network Objectives and Goals as agreed to by the Council,

4. Reviewing Group/Divisional status reports on gap closure initiatives for the annual Quality Network Objectives and Goals.

B. In addition, the UAW-GM Leadership Quality Council will review company-wide new management quality or productivity improvement programs potentially involving UAW-represented employees prior to assigning resources for development and implementation. These reviews will extend to the UAW the opportunity to provide input into management's plans and to discuss the union's support and involvement. It is management's desire to implement all such quality improvement processes cooperatively with UAW leadership at all levels.

C. Similar reviews and opportunities for involvement in new management quality or productivity improvement programs or utilization of consultants, potentially involving UAW-represented employees, will be provided at the appropriate Quality Council level. This review will assure the UAW opportunity to comment on management's plans and to discuss the union's support and involvement.

D. Management recognizes that UAW input to such improvement programs may create opportunities for collaboration and support. Accordingly, in an effort to avoid parallel programs, the parties agreed to establish a joint committee during the term of the 1999 National Agreement, comprised of management representatives from the Competitive Operations Engineering organizations and the co-directors of the UAW-GM

Leadership Quality Council Support Staff (see letter entitled, "GM-Global Manufacturing System Relationship to UAW-GM Quality Network Process") to discuss such opportunities for collaboration and support and to discuss and resolve issues that may arise.

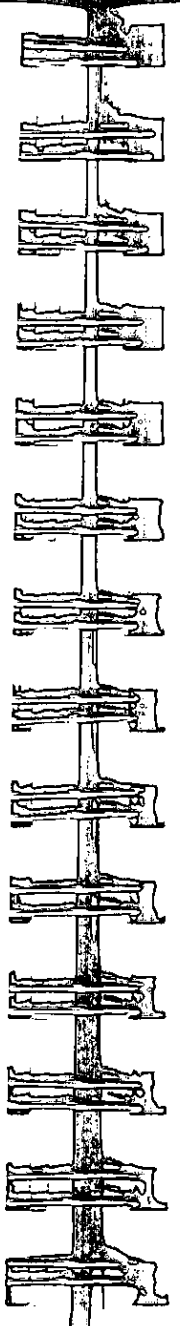
E. In the event such new company-wide management quality or productivity improvement programs that the Union has agreed to support require training and/or instructional materials, the co-directors of the UAW-GM Leadership Quality Council Support Staff will assign appropriate resources to work with the designated management content experts for developmental purposes. Once approved by the development team, the training and/or instructional materials will be finalized by such co-directors for inclusion in the UAW-GM Quality Network training materials.

II. Group/Divisional Quality Council Meetings

A. In order to provide for meaningful discussions, regular meetings as set forth below will be scheduled by the Quality Council Co-chairs at all Quality Council levels consistent with the direction provided by the UAW-GM Leadership Quality Council. Attendance by co-chairs is required in order to maintain organizational focus on continuous quality improvement and ongoing communications.

B. The Group/Divisional Quality Councils are as follows:

1. GM North America Region
   - GM Vehicle Manufacturing
   - GM Vehicle Operations
   - GM Metal Fabricating Division



   - GM Powertrain
   - Service and Parts Operations

2. Additional Quality Councils
   - Electro-Motive Division
   - Other Quality Councils deemed appropriate by the co-chairs of the UAW-GM Leadership Quality Council

C. The Group/Divisional Quality Councils will meet a minimum of four times per year. The General Managers/Vice Presidents for the above Group/Divisional Quality Councils and the assigned UAW International Servicing Representative from the GM Department will co-chair these scheduled meetings. The UAW International Representative from the General Motors Department assigned to Quality Network and the Group/Divisional Management counterpart, along with the Group/Divisional Co-chairs, will determine the membership for such Quality Council meetings. In addition, the designated Management representative from the UAW-GM Leadership Quality Council Support Staff will also be a member of the Group/Divisional Quality Council.

D. These Quality Council meetings will be supplemented by a Group/Divisional leadership meeting to be held at least once per year. Additional meetings may be scheduled by mutual agreement of the Group/Divisional Quality Council Co-chairs. The General Motors Group Vice President and designated UAW International Servicing Representative will co-chair this meeting. Attendees will consist of the following:

- Group/Divisional Quality Council members,
- Group/Divisional Quality Network Representatives,

- Plant Managers,
- Plant Personnel Directors,
- UAW International Regional Representatives,
- Local Union Presidents,
- Local Union Shop Chairpersons,
- UAW Document 46 Quality Network Representative(s) and Management counterpart(s).

E. The responsibilities of the Group/Divisional Quality Councils include, but are not limited to:

1. Preparing and monitoring specific business and action plans to accomplish the annual Quality Network Objectives and Goals and reviewing progress.

2. Providing direction and support for Group/Divisional Quality Network activities.

3. Reviewing Plant/Staff status reports on gap closure initiatives for the annual Quality Network Objectives and Goals.

4. Submitting a status report to the co-directors of the UAW-GM Leadership Quality Council Support Staff on gap closure initiatives prior to and for review at each UAW-GM Leadership Quality Council Meeting.

F. Quarterly meetings with their respective Document 46 Quality Network Representative(s) and their Management counterpart(s) will be coordinated by the UAW International Representative from the General Motors Department assigned to Quality Network and his/her Group/Divisional Management Quality Network counterpart.

G. The Group/Divisional Quality Network Representatives will have responsibilities consistent with the "Roles and Responsibilities and Personal Development Guidelines for Quality Network Representatives" (QN-1455).

III. Plant/Staff Quality Councils

A. Plant/Staff Quality Councils will meet a minimum of once per month and shall consist of the following:

- President of the Local Union,
- Shop Committee Chairperson and members of the Shop Committee,
- UAW Regional Servicing Representative,
- Plant Manager,
- Personnel Director,
- Other appropriate Management Representatives,
- Joint Activities Representatives, where provided, and
- UAW Document 46 Quality Network Representative(s) and their management counterpart(s).

B. The responsibilities of the Plant/Staff Quality Councils include, but are not limited to:

1. Preparing specific business and action plans to accomplish the annual Quality Network Objectives and Goals and reviewing progress.

2. Providing direction and support for plant/staff Quality Network activities.

3. Reviewing gap closure initiatives for the annual Quality Network Objectives and Goals.

4. Supporting training for and the implementation of the Quality Network Action Strategies.

5. Submitting a monthly status report to the Group/Divisional Quality Council Co-chairs on gap closure initiatives.

IV. Quality Network Representatives Roles and Responsibilities

A. Management Representatives will be assigned and will be provided appropriate time and authority to perform the required management Quality Network responsibilities. It is recognized that the duties of all Quality Network Representatives are to assist in the implementation of the Quality Network process and related action strategies as directed by the Plant/Staff Quality Council. Issues regarding unfilled vacancies may be discussed by either party at the regularly scheduled Quality Council Meeting.

B. Additionally, the Quality Network Representatives will support the principle that all employees have a responsibility for product and service quality by exercising due care and diligence in performing their duties as follows:

1. Understanding the Quality Network Action Strategies.

2. Coordinating achievement of the annual Quality Network Objectives and Goals with the Plant/Staff Quality Council, including but not limited to supporting balanced implementation of the Quality Network Leadership Initiatives.

3. Taking minutes of all meetings and distributing to members of the Plant/Staff Quality Council,

Group/Divisional Quality Council Co-chairs and Quality Network Representatives.

4. Assisting in the overall implementation of the Quality Network process consistent with the "Roles and Responsibilities and Personal Development Guidelines for Quality Network Representatives" (QN-1455).

C. Quality Network Representative Workshops may be scheduled during the term of this Agreement as determined by the Vice President and Director of the UAW-GM Department and the Group Vice President - Manufacturing & Labor Relations.

D. The Quality Network Representatives will receive appropriate training necessary to effectively perform their duties.

E. Quality Network Representatives will be required to attend appropriate personal skill enhancement training sessions, including those offered at the Center for Human Resources, associated with their responsibilities. Guidelines for such training and method of delivery will be reviewed and changes communicated to the Quality Network Representatives. In addition, the parties agreed to implement mandatory training for advanced technical skills and certification for Quality Professionals.

F. During overtime hours, such Quality Network Representatives will be scheduled to perform Quality Network-related activities if they would otherwise have work available in their equalization group.

V. Issues Resolution Process

Any issues related to the foregoing may be referred to the co-directors of the UAW-GM Leadership Quality Council Support Staff for resolution, including unresolved Quality Council concerns requiring cross-organization involvement prior to discussion at the UAW-GM Leadership Quality Council.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives.

International Union, UAW	General Motors Corporation
Richard Shoemaker	Troy A. Clarke
Jim Beardsley	John R. Buttermore
Henderson Slaughter	Dean W. Munger
Joe Spring	Jay C. Wilber
Thomas W. Walsh	

ATTACHMENT "A" TO THE MEMORANDUM OF UNDERSTANDING QUALITY NETWORK IMPLEMENTATION REDEPLOYMENT AND MEANINGFUL WORK

During the term of the 1990 GM-UAW National Agreement and through the direction of the North American Operations (NAO) UAW-GM Quality Council (currently referred to as the UAW-GM Leadership Quality Council), the focus of the Quality Network evolved and changed from development to implementation. During this same period, GM North American Operations experienced operating losses requiring more efficient practices and a renewed focus on product quality.

Implementation of Synchronous Workshops, Accelerated Workshops (i.e., PICOS), Lean Manufacturing and other quality improvement activities, such as, best practices, resulted in health and safety, ergonomic, and operational improvements affecting quality and the cost of GM products and services. In many cases, these activities resulted in UAW-represented GM employees being placed in a JOBS Bank under the terms of the 1990 GM-UAW National Agreement. The Union leadership felt they could not be party to asking their members to assist in "working themselves out of a job" by supporting these efforts. In any joint effort, job security and "people issues" had to be considered so that people would be redeployed to meaningful work. The issue was discussed at the January 13, 1992, GM Quality Council (currently referred to as the UAW-GM Leadership Quality Council) meeting resulting in specific commitments to integrate synchronous efforts into the joint Quality Network Process and explore ways to employ people more effectively with meaningful work and help improve the business.

When funding for the JOBS Bank was exhausted and the program discontinued, Management recognized that employee support and involvement in plant quality and productivity improvement activities were essential. As a result, on March 2, 1993, after the JOBS funding was exhausted and employees in the JOBS Bank were laid off, an "Employment Policy" was made effective which resulted in employees being retained at work and not laid off when such employees were impacted by jointly initiated product quality and operational effectiveness improvement efforts.

During the 1993 negotiations, the parties discussed the above events and the Union provided examples of successful redeployment processes. These redeployment processes, implemented at divisions and plants, resulted in people being retained at work and redeployed to meaningful assignments after they had been made available as a result of quality and productivity improvements and other initiatives.

Following 1993 negotiations, the parties agreed to jointly develop guidelines for redeployment processes, similar to those reviewed by the parties, to assist plant and staff locations with planning for redeployment opportunities. Such guidelines were intended to assist the local parties with the development of plans that put first emphasis on redeployment of employees to meaningful assignments, which included regular productive assignments and "non-traditional" work, as well as efforts to competitively retain or insource new work.

Accordingly during these negotiations, the parties again restated their intent to not place employees in underutilized or unproductive assignments or only contemplate utilization of the job security provisions of the National Agreement. Further, the parties agreed to reissue the document "Guidelines for Redeployment and

Meaningful Work" (ON-2251). Following the effective date of this agreement, a survey will be conducted by the Co-Directors of the UAW-GM Leadership Quality Council Support Staff of all GM-UAW facilities to determine the extent of compliance with this provision of the agreement. The results of this survey will be communicated to the respective Group/Divisional Quality Council Co-chairs. Thereafter, the Group/Divisional Quality Councils will work together to be certain all plants and staffs have a redeployment plan in place and have communicated such redeployment plan to affected UAW-represented employees.

ATTACHMENT "B" TO THE MEMORANDUM OF UNDERSTANDING QUALITY NETWORK PRODUCT QUALITY RESOLUTION PROCESS

During the course of past negotiations, the parties discussed employees having the opportunity to raise product quality concerns in the course of performing their regular work assignments. In so doing, employees play a critical role in the continuous improvement of our products and, ultimately, in meeting the quality expectations of our customers and assuring the job security of UAW-represented employees. It is recognized that product quality concerns require an immediate and thorough response. The parties agreed the Product Quality Resolution Process set forth in this document provides for such immediate and thorough response; and they will, therefore, reinforce the value of the current process with all Quality Councils.

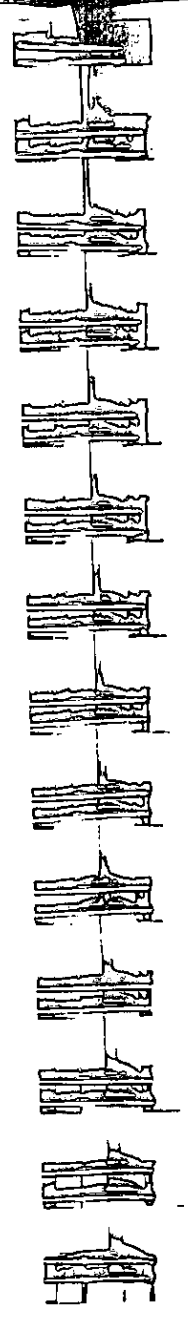
The Plant/Staff Quality Council at each location is to implement a common process for employees to voice their product quality concern(s), independent of the grievance procedure, for timely resolution of such concerns based on the following:

Product Quality Resolution Process

1. Employee/supervisor discussion to attempt to resolve concern, consulting as required with plant quality resources.

2. If unresolved, the District Committeeperson, if requested, will assist in the resolution of the employee's concern.

3. If unresolved the supervisor and/or District Committeeperson will advise the joint Quality Network Representatives, who will assist in the resolution of the concern.



4. If unresolved, such concerns will be tracked and communicated to ensure all affected employees are aware of the quality concern and resolution effort.

5. All documented concerns will be forwarded immediately by the joint Quality Network Representatives to the Co-chairs of the Plant/Staff Quality Council, who will designate an appropriate level of plant management and union representation to work toward resolution of the concern prior to review at the next Plant/Staff Quality Council Meeting.

6. Thereafter, if unresolved, the concern will be discussed with the Plant/Staff Quality Council at the next meeting.

7. The status of all documented quality concerns raised through this process will be reviewed by the Quality Network Representatives with the Plant/Staff Quality Council at each meeting.

8. Feedback regarding the status of the employee concern will be provided to the originating supervisor and the employee on a regular basis by the Plant/Staff Quality Network Representatives until the concern is resolved.

9. If unresolved, either Plant/Staff Quality Council Co-chair may request the issue to be referred to the co-chairs of the next higher level Quality Council for assistance to resolve the matter.

10. Thereafter, such concerns, if unresolved, will be referred to the UAW-GM Leadership Quality Council for resolution.

During the current negotiations, the parties acknowledged that several GM locations are using the process effectively, and that certain common factors generated this success. These include, but are not limited to, the following:

- Employees are aware of the Product Quality Resolution Process as defined in Document 40 of the 1999 GM-UAW National Agreement.
- The joint leadership acknowledges the quality resolution process as a positive tool in resolving quality problems.
- The process follows a standard practice from initial notification through resolution.
- The process is tracked and reported to the local joint leadership at the Plant Quality Council Meetings.

Accordingly, the parties agreed that they will review current awareness materials for potential revision and distribution to all UAW-GM Quality Councils and employees during the first quarter of 2004. The purpose of such materials will be to encourage full awareness of and participation in the process by employees, supervisors, committeepersons, and Quality Network Representatives, and to jointly leverage agreed-to best practices in implementing this critical aspect of the continuous improvement of products and services.

Further, during these negotiations, the parties discussed how the Product Quality Resolution Process supports operators in their desire to build the highest quality products in our plants. Accordingly, the parties agreed that all quality concerns, documented under the provisions of this process, will be displayed consistent with the plant's existing local quality system. Further, the parties agreed that each Plant Quality Council will determine the appropriateness of incorporating this process within its quality procedures.

ATTACHMENT "C" TO THE MEMORANDUM OF UNDERSTANDING QUALITY NETWORK ACTIVITIES

I. QUALITY NETWORK SUGGESTION PLAN

As a result of the UAW-GM joint administration and ongoing support of the Quality Network Suggestion Plan, significant improvement in the areas of participation, savings, and processing time were experienced. The Company informed the Union that Management would continue to implement the Quality Network Suggestion Plan Action Strategy as the single suggestion process in all GM-UAW plant and staff locations. The parties further recognized the necessity for joint leadership involvement at the plant and staff levels in order to gain the full support and confidence of employees who submit their ideas and therefore, achieve the jointly established Quality Network Objectives and Goals.

The parties discussed at length the intent and purpose of the UAW-GM Suggestion Plan. Both parties agreed that the purpose of the Suggestion Plan is to enhance job security for all employees, not to reduce employment levels. In that regard, suggestions that specifically target elimination of a job or jobs will be deemed ineligible.

Consistent with the objectives of the Quality Network Suggestion Plan guidelines, the parties agreed to continue to place special emphasis on:

- Generating ideas that contribute to the health and safety of all employees.
- Encouraging greater participation of employees in all aspects of the business.
- Recognizing employees for their ideas.

- Encouraging cost reduction and continuous improvement in all aspects of our business.
- Encouraging a greater level of teamwork through recognition of team suggestions.

By working together to effectively achieve these objectives, General Motors and its employees have made tremendous gains in the areas of workplace safety, people involvement, product quality, cost reduction, as well as our ability to respond to customer expectations.

In an effort to offset the costs associated with the conversion from the Ambassador Program merchandise to the Quality Network Suggestion Plan merchandise, the Suggestion Plan Submission Recognition Award will be discontinued effective with calendar year 2004. Further, Plant/Staff Quality Councils, in conjunction with their role with the Joint Facility Teams, may agree to fund an annual Suggestion Recognition Award from the local Suggestion Involvement Fund.

II. PLANNED MAINTENANCE

The UAW-GM Leadership Quality Council has directed through the Quality Network Objectives and Goals, that the Quality Network Planned Maintenance Action Strategy is to be utilized at all UAW-GM locations as the one process for planned maintenance. The purpose of the Quality Network Planned Maintenance Action Strategy is to involve people to improve safety, quality, throughput, and responsiveness, resulting in reduced manufacturing costs thereby enhancing overall job security. The parties further agreed that Group/Divisional Quality Councils will direct Plant/Staff Quality Councils to attain Phase III status in the Quality Network Planned Maintenance process during the term of this agreement. Progress in achieving and maintaining Phase III status will be measured through the Quality Network reporting and assessment process.

In order to effectively gain knowledge from the MAXIMO database, the Quality Network Planned Maintenance process requires accurate and complete data for input into the system. Therefore, it is expected that skilled trades and other assigned employees, will provide such accurate and complete data. In recognition of employee concerns, Management has stated that such information from the MAXIMO database will not be used for disciplinary action, outsourcing, or subcontracting. It is understood that both parties will have full and complete access to MAXIMO data.

III. CORPORATE MARKETING CAMPAIGNS AND VEHICLE SALES PROMOTION ACTIVITIES

Following ratification of this agreement, the Co-Directors of the UAW-GM Leadership Quality Council Support Staff and appropriate Management representatives from the Vehicle Sales, Service, and Marketing (VSSM) Group will establish a joint national committee having the responsibility to:

- Develop ongoing external media campaigns reinforcing UAW-GM cooperation and its role in improving the quality of General Motors' products and services (e.g., Olympics, Keep America Rolling, NYC Vehicle Delivery, etc.).
- Continue to provide the Union in a timely fashion the opportunity for input into Corporate Marketing campaigns when domestic vehicle advertising campaigns involve or depict UAW-represented GM employees.
- Enhance the current sales promotion program or redesign a new national vehicle sales promotion activity, providing for joint participation by UAW-GM active hourly, salaried, and retired employees (e.g., Talk It Up, GM In The Driveway, etc.).

Funding for jointly developed and implemented projects will be derived from Corporate and/or Joint Funds based on the nature of the initiative, consistent with historic practices. Corporate funding will be subject to approval by the President of GMNA on a project-by-project basis. All requests for joint funds will be submitted in accordance with the process set forth in the Memorandum of Understanding-Joint Activities.

The newly established joint national committee will meet on a quarterly basis. All recommendations from this committee will be subject to review by the Co-Chairs of the UAW-GM Leadership Quality Council.

IV. VEHICLE PROMOTION AND ASSISTANCE CONTACT (VPAC)

In support of the new joint national committee, all employees currently designated as "Ambassador Local Coordinator" and "Employee Vehicle Assistance Contact" will be responsible for and designated as "Vehicle Promotion and Assistance Contacts" (VPAC). Management and UAW-represented employees will be identified from existing resources at all GM-UAW locations and will combine their roles in support of all joint vehicle and sales promotion activities.

Further, during these negotiations, the parties discussed issues regarding resolution of employee vehicle concerns. In that regard, the parties agreed that:

1. Employees having quality concerns with their GM vehicles or the vehicles of customers with whom they come in contact are encouraged to utilize currently available dealer and marketing division channels.

2. Unresolved, such concerns may be referred for assistance to the VPAC Representatives.

3. Such representatives will be periodically provided a summary of current sales promotion

activities, recall and special policy notices via hard copy distribution or through electronic medium, such as CD-ROM or the Quality Network Website. Guidelines for access and Quality Network Representative assistance for retrieval will be communicated to the VPAC Representatives.

4. The existing Call Center processes would be leveraged, including any future changes and/or enhancements.

5. The parties will develop and make available for VPAC Representatives process awareness training and materials.

6. This process will be communicated to dealers to ensure their awareness and encourage their cooperation.

V. NATIONAL VEHICLE SALES PROMOTION ACTIVITIES

The joint national committee, comprised of the Co-Directors of the UAW-GM Leadership Quality Council Support Staff and representatives from the VSSM organization, will address program function, structure, activities, training, and communication materials.

The current Ambassador Program will cease on December 31, 2003. The joint national committee will determine a potential replacement program to the existing Ambassador Program during the fourth quarter 2003, which will include a premium component for conquest sales (maximum of $100 per vehicle) and will not provide any premium for employees and eligible family member sales (i.e., GMS pricing). The premium must be used toward the purchase of a new, unused GM vehicle. Verification of all premiums will be subject to review, audit and charge-back. The brand name, "Ambassador," may be leveraged.

In addition, it is understood that effective January 1, 2004, "Ambassador points" accumulated under the current "Ambassador Program," may be combined and applied to merchandise currently available for selection under the "non-monetary" recognition process associated with the Quality Network Suggestion Plan. Effective January 1, 2004, the merchandise options currently available under the terminated Ambassador Program will then be discontinued. Active UAW-GM employees and retirees will be notified during the fourth quarter 2003, as to their Ambassador point status. Such employees and retirees will be provided with Ambassador point status and information relative to the Suggestion Plan merchandise selection (i.e., website and/or other material). Retirees, once notified, will have 90 days or until March 31, 2004, whichever is later, to redeem their outstanding Ambassador Program points.

VI. LABELS AND/OR DECALS

During prior negotiations, the Union expressed a desire for UAW members who have contributed significantly to improved product quality to be permitted to display on completed assembled vehicles and packaging and shipping containers a joint label or decal certifying that the product is proudly built by GM workers who are members of the UAW. During the current negotiations, the Corporation agreed to continue this approach to employee recognition and assured the Union of its commitment to employee recognition through such practices in the component plants.

ATTACHMENT "D" TO THE MEMORANDUM OF UNDERSTANDING- QUALITY NETWORK REPRESENTATIVE TRAINING

I. QUALITY NETWORK REPRESENTATIVE TRAINING GUIDELINES

During the term of the 1999 Agreement, the parties discussed aspects of Quality Network Certification including curriculum, course content, training delivery, and other issues related to implementation of this certification process.

During the 2003 GM-UAW negotiations the parties discussed at length the current status of the Quality Network Representative certification process and suggested enhancements for continuous improvement.

The parties reviewed and approved a revised minimum curriculum for Basic Quality Network Representative Certification.

The parties further agreed that, after the effective date of the 2003 GM-UAW National Agreement, all appointed Document 46 Quality Network Representatives and their Management counterparts who have not completed the former Quality Network Representative Certification requirements will continue to be required to achieve Basic Quality Network Representative Certification as outlined in this document. Further, all such Quality Network Representatives and any newly appointed or assigned representatives are expected to prepare a training plan for approval by the Plant/Staff Quality Council within 30 days of appointment or assignment. Progress towards completion of the training plan will be reviewed with the Co-Chairs of the Plant/Staff Quality Council. This plan must result in completion of the basic certification curriculum within specified timeframes.

Additionally, the parties agreed that Quality Network Representatives who, prior to the effective date of this Agreement, have fulfilled the requirements of the former Quality Network Representative Certification Process, will not be required to participate in the new Basic Quality Network Representative Certification Process.

In the area of Basic Quality Network Representative Certification, it was agreed that the following classes continue to be required within these specified timeframes:

- Role of the Quality Network Representative (replaces Role of the Individual or Boot Camp) - within 60 days of appointment/assignment
- Facilitator skills - within 6 months of appointment/assignment
- Basic computer skills - within 9 months of appointment/assignment
  - — Microsoft PowerPoint
  - — Microsoft Word
  - — Microsoft Excel
- Overview of the Quality Network Action Strategies - within 12 months of appointment/assignment
- Quality Network Problem Solving Workshop - within 18 months of appointment/assignment
- Quality Network Error Proofing Workshop - within 18 months of appointment/assignment
- Other pre-requisites for the Advanced Certification for Quality Professionals as determined appropriate by the Co-Directors of the UAW-GM Leadership Quality Council Support Staff

Quality Network Representatives will also be provided an opportunity to demonstrate evidence of proficiency for the above courses that will result in credit for completion. This evidence may include certificates from prior classes or on-the-job experiences. The UAW International Representative assigned to the Quality Network and his/her Group/Divisional Management counterpart will assess the submitted requests for proficiency based on the evidence submitted and will recommend credit to the Co-Directors of the UAW-GM Leadership Quality Council Support Staff.

During the course of the 2003 negotiations, the parties also agreed to implement training for advanced technical skills and certification for quality professionals as part of the Quality Network Representative Roles and Responsibilities. During the first quarter of 2004, the Co-Directors of the UAW-GM Leadership Quality Council Support Staff will communicate to Quality Network Representatives the details of the Advanced Certification Process. This curriculum, referred to as Advanced Certification for Quality Professionals, is being jointly developed between the parties. The objective of this training will be to further advance the capabilities and skills of the Plant/Staff and Group/Divisional Quality Network Representatives.

In order to maintain their Quality Network Representative position, it is mandatory that all Quality Network Representatives appointed or assigned after the effective date of the 2003 GM-UAW National Agreement successfully complete all Advanced Certification for Quality Professionals courses. Quality Network Representatives will also be provided the opportunity to complete a pre-test for each course. Those individuals demonstrating proficiency will be given full credit for completion of that course. Current Quality Network Representatives should participate in the Advanced Certification for Quality Professionals training.

Additionally, the parties agreed that, upon completion of the Basic Quality Network Certification process, all new Quality Network Representatives will be required to prepare a training plan for completion of the Advanced Certification for Quality Professionals process and submit to the respective Quality Council for approval. The plan, upon approval, will be forwarded to the Co-Directors of the UAW-GM Leadership Quality Council Support Staff. Progress towards completion of the training plan will be reviewed with the Co-Chairs of the Plant/Staff Quality Council. This plan must result in completion of the Advanced Certification curriculum within 36 months of achieving basic certification.

The parties further agreed that the Advanced Certification curriculum will be made available to others within the Corporation on an as-available basis, with priority given to the new Quality Network Representatives.

The parties further discussed and recommended that, when making Quality Network Representative selections and/or recommendations, Quality Council leadership take into consideration the significant investment in training and time that will be involved in achieving the basic and advanced certifications. Accordingly, the Quality Network Representative selection process should focus on respective candidates who will be able to maintain their position for an appropriate period of time commensurate with this investment as well as supporting the parties' joint quality improvement objectives.

It is further understood that costs associated with the Quality Network Representative advanced certification process will be covered by joint funds consistent with the Memorandum of Understanding - Joint Activities.

II. SIMULATED WORK ENVIRONMENT

During these negotiations, the joint parties discussed the creation of a Simulated Work Environment (SWE) to be located within the UAW-GM Center for Human Resources facility.

The intent of this SWE will be to:

- Accelerate the rate of development of certified Quality Network Action Strategy trainers.
- Provide Quality Network Representatives and other plant/staff personnel with a hands-on understanding of key Quality Network Action Strategies/GMS Tools.

Accordingly, the QN-GMS National Joint Committee will appoint a subcommittee to investigate and provide recommendations for implementation of the SWE.

This subcommittee will be appointed following the effective date of this Agreement and will report its recommendations to the QN-GMS National Joint Committee by the end of the first quarter 2004. Based on these recommendations, the QN-GMS National Joint Committee will give specific direction toward the creation of the SWE and will monitor progress to completion by midyear 2004.

National Joint Funds will be requested in accordance with the provisions of the Memorandum of Understanding-Joint Activities set forth in this agreement.

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The UAW and GM have worked together for many years to understand and promote diversity in the workplace, a goal we absolutely agree on and are fully committed to. The parties have long recognized that diversity is the collective mixture of our similarities and differences. Both organizations recognize that diversity includes race and gender, as well as broader dimensions such as family status, religion, sexual orientation, education, abilities, disabilities, military status, union, non-union, language and many others.

Diversity is a positive asset to an organization because only by leveraging our diversity will we be able to achieve the kind of relationship that we know is necessary if General Motors is to prosper and provide good jobs that allow employees, both union-represented and salaried, to be secure in today's complicated world.

Our vision is to have a workplace that naturally enables the people of UAW-GM to fully contribute and achieve personal fulfillment. The UAW and GM continue to support and integrate the many voices of diversity, increasing our appreciation of cultural differences, beliefs, values, abilities, disabilities and sexual orientation. The UAW and GM work together at the national and local levels to develop and deliver diversity training. The principles that guide UAW-GM Diversity Initiatives include:

- creating a learning organization;
- seeking diverse input and involvement;
- leading the cultural change process; and
- pursuing continuous improvement in diversity actions and programs.

The National Equal Application Committee works with local Plants to provide educational materials to the UAW-GM workforce regarding diversity and equal employment opportunities. They also identify community agencies involved in civil rights and diversity activities and work with community leaders to discuss and work towards solutions to mutual problems regarding discrimination. Action plans can be developed to include such activities as:

- utilizing plant communication methods to celebrate cultural diversity and share the UAW-GM joint commitment to diversity;
- seeking input from identifiable diverse employee groups and individuals;
- identifying opportunities to celebrate diversity with educational awareness events and exhibits;
- communicating how diverse employee groups can participate in plant and community projects; and
- recognizing activities that are inclusive of diverse employee groups.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Re: Paragraph 64(e) Extension

This will confirm the parties' understanding that on a one-time basis during the life of the current GM-UAW National Agreement the provisions of Paragraph 64(e) notwithstanding, employees who had recall or rehire rights as of October 1, 1990 and who thereafter broke seniority or lost rehire rights pursuant to the provisions of Paragraph 64(e) shall have a rehire right to their plant through the term of the current GM-UAW National Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The UAW and General Motors recognize the need for a focused career development process for active and dislocated employees as a key element in competitiveness and employment security. The career development process must address both internal career needs of individual employees and critical skill needs of the company. A focused approach beginning early in each employee's career and continuing throughout their career could provide the employee with the skills and knowledge required by changing business conditions.

The parties have, therefore, agreed to continue to refine the pilot program containing the following principal elements:

1. Voluntary individual employee assessments to determine interests, abilities and career development needs which may be met internally through a broader variety of on-the-job training, classroom technical training, training in basic computational skills and reading and writing, classroom training leading to a special certification, associate or baccalaureate degree.
2. A career development process for hourly employees which may provide for broad job experience.
3. Cooperation with community college, college, university and other educational and training facilities in the community in the development of career focused classroom and cooperative training programs for active and dislocated GM workers.

4. Exploration of the development of career focused classroom and cooperative work programs for dislocated workers which would lead to comparable employment.

The parties agree that the evaluation of the initial pilot location resulted in recommendations for several changes in the program. The recommended changes, deemed to be appropriate by the parties, will be made to the program. The revised program will then be offered at an additional location(s) and the parties will continue to evaluate its success. Thereafter, an implementation strategy will be developed and presented to the UAW-GM Joint Skill Development and Training Committee for their approval.

The above program will be supported by a combination of national, local and plant training funds and will be jointly administered by the UAW-GM Center for Human Resources and the Local Joint Activities Committee(s).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of these negotiations, General Motors and the International Union, UAW agreed that the letter of November 22, 1976 regarding expeditious grievance handling would again be published. During these negotiations, the Union cited various examples of situations where continuing liability cases were not processed in a timely manner. In this regard, the parties emphasized that full implementation of this document would result in the timely processing of continuing liability cases. Accordingly, the parties re-emphasize the following:

"During 1976 negotiations, General Motors and the International Union again discussed at length problems encountered in the administration of the Grievance Procedure at some locations. The parties reaffirmed their mutual determination that the purpose of the Agreement as stated in Paragraph (5) is 'to provide orderly collective bargaining relations between the Corporation and the Union, to secure a prompt and fair disposition of grievances, to eliminate interruptions of work and interference with the efficient operation of the Corporation's business.' In addition, the Union and the Corporation agreed that the delaying or holding of grievances at any step of the Grievance Procedure was contrary to the best interests of the employees and the parties.

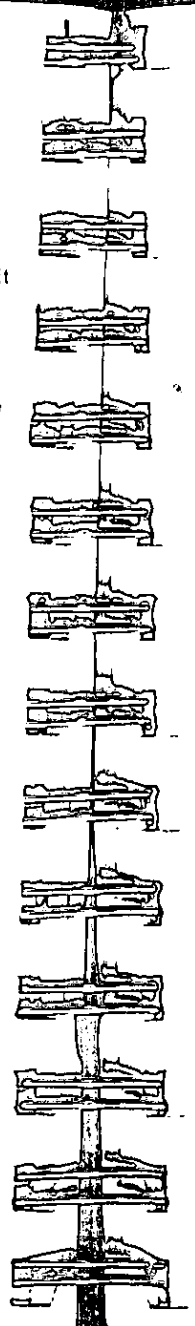
"The parties reaffirmed their mutual desire and intention to assure that grievances will not be allowed to accumulate at any step or steps in the Grievance Procedure in any plant.

"The Corporation asserted that Paragraph (34) together with the other relevant provisions of the Grievance Procedure if closely administered make it impossible for committeemen unilaterally to stall any grievance from consideration or decision at the next step of the Grievance Procedure and to delay the processing of grievances in the procedure. The Corporation stated further that the current language provides Management with the right after a lapse of a reasonable time to initiate answers to grievances in order to prevent them from being delayed at any step in the Grievance Procedure."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (19),(79)]
[See Doc. 45,48,95]



UAW INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

September 18, 2003

Mr. Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations
General Motors Corporation
General Motors Building
Detroit, Michigan 48202

Dear Mr. Clarke:

During these negotiations, the Union re-emphasized their commitment to resolve grievances in an expeditious manner. To that end, the International Union, UAW, informed the General Motors Corporation that Leonard Woodcock's letter of December 14, 1967 regarding expeditious grievance handling was again being published as a position of the International Union, UAW. The text of that letter is as follows:

"December 14, 1967

"General Motors Corporation
General Motors Building
Detroit, Michigan 48202

"Attention: Mr. Louis G. Seaton
Vice President

"Gentlemen:

"During 1967 negotiations, General Motors complained that at certain locations some Committeemen made little or no effort to resolve grievances they have written or to process them from one step of the procedure to the next in an expeditious manner. The Union pointed out to the Corporation that the same basic grievance

processes existed at General Motors, Ford and Chrysler and that no comparable problems occur at the latter two companies; that grievances accumulate under the circumstances complained of in some instances because the Local Managements take no independent action to answer grievances or to move them from one step of the procedure to the next.

"The International Union advised the Corporation that it fully subscribes to the principle set forth in Paragraph (19) that '...the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management.'

"Grievances should not be unduly delayed at any step of the procedure, whether such delay is occasioned by a Committeeperson or his supervisor refusing or failing to meet his responsibility.

Very truly yours,

/S/LEONARD WOODCOCK
Vice President
Director General Motors
Department"

Sincerely,

Richard Shoemaker
Vice President and Director
General Motors Department

[See Par. (5),(34),(79)]
[See Doc. 44,48,95]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the parties discussed at length the need to focus our current joint program representatives on specific programs designed to assist our employees and the management in implementation of an improved working environment.

Over the years, we have agreed to a number of different joint program representatives appointed by the Vice President and Director of the GM Department, UAW, and, in some cases, by the local management and union leadership at the direction of the Co-Chairman, Executive Board - Joint Activities to carry out and administer certain negotiated agreement programs in the following functions:

- Health and Safety
- Joint Activities
- Accommodating DisAbled People in Transition (ADAPT)
- Work/Family Program
- Human Resource Development
- Joint Training
- Quality Network

Each plant in General Motors, depending on employee population, may have employees assigned to the above functions. Each time new programs have been negotiated, people were assigned to perform the tasks associated with each program to the extent that we now have several well-trained experts in those fields. The

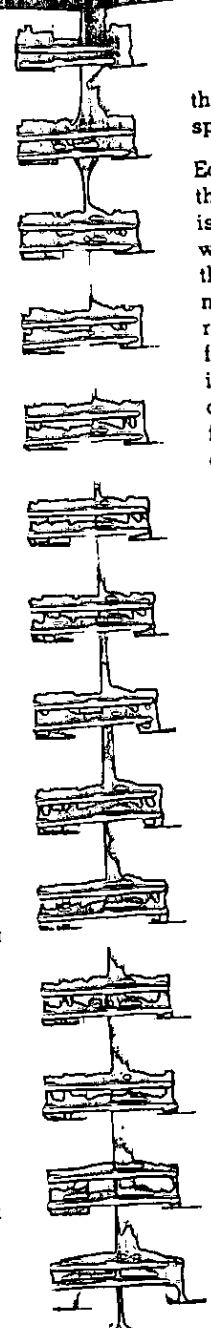
parties recognize that over the years priorities have shifted and, as a result, there is a need to carefully analyze the programs that currently require increased emphasis, such as, work/family, health and safety, etc. As a result, the parties have concluded that these well-trained resources can now be deployed or reassigned to programs requiring special attention.

It is recognized that each plant location has its own unique culture and needs; therefore, the local joint leadership group (Plant Manager, Personnel Director, Local Union President and Chairperson of the Shop Committee) will determine where their current full time representatives will be allocated to best serve the employees of the organization. It is recognized that at some locations additional representatives may be required to perform tasks associated with the newly determined local focus and at others less. In any event, the total number of new and current full time joint program representatives shall not exceed the number provided for below:

Plant Population	Number of Representatives
Up to 200	1
201 to 400	2
401 to 600	3
601 to 1,000	4
1,001 to 5,000	Ratio of 1:250
5,001 and above	Ratio of 1:275

In the case of bargaining units between 1,001 to 5,000 and 5,001 and above, the number of representatives in a given bargaining unit will be determined by the number of represented employees (active, temporary layoff and Protected) divided by the appropriate ratio number. Where the fraction of the result is .5 and above, the number will be rounded up to the next highest whole number and where the fraction is less than .5, rounded down to the whole number.

Nothing in this agreement limits or is intended to interfere with any local mutually agreed upon projects or initiatives falling outside the scope of this document



that may provide additional staff resources to meet the specific objectives of the local parties.

Each plant has submitted a plan for deployment of these resources in accordance with specific guidelines issued by the National parties. All such representatives will be appointed by the Vice President and Director of the GM Department, UAW. Such plan will include the names and assignments for each of the local representatives assigned to Joint Programs and will be forwarded to the National parties for approval prior to implementation. Likewise, as individual plant needs and priorities change, the local parties are afforded the flexibility to submit revised plans for National approval.

When plant population changes occur which would increase or decrease the number of representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, in which case such adjustment will be made at the conclusion of the six month period. In the event such population change results from the discontinuance or addition of a shift, the opening of a plant, or the cessation of a plant's operations, the adjustment in the number of representatives will be made within the first twenty working days following the first day such population change occurs. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the GM Department of the International Union.

When a reduction or increase in plant population calls for a change in the number of representatives, the local parties will be required to submit a revised deployment of resources plan for approval. All representatives in either case will also be appointed by the Vice President and Director of the GM Department, UAW.

It is understood that the Representatives re-deployed in these locally determined areas of special focus and attention may require additional training. It is agreed that such training will be provided through the UAW-

GM Center for Human Resources subject to the approval of the Executive Board - Joint Activities.

It is agreed that such representatives shall function in accordance with governing provisions of the GM-UAW National Agreement germane to their area of focus.

During overtime hours, joint program representatives in the areas of Joint Activities, Accommodating DisAbled People in Transition (ADAPT), Human Resource Development, Work/Family, and Joint Training will be scheduled to perform joint program-related activities if they would otherwise have work available in their equalization group.

Joint Program Representatives are eligible for promotion to higher rated jobs on their shift in accordance with Paragraphs (63) (a) (1) and (63) (a) (2) of this Agreement provided they are the most senior applicant and they are capable of doing the job.

Longer range, the Executive Board - Joint Activities will establish a joint process aimed at effectively consolidating, simplifying, integrating, focusing and achieving better utilization of joint programs at the plant level.

The spirit and intent of this document is to provide increased focus on joint employee programs and to more fully utilize the experience and talents of the representatives assigned to joint programs. The parties are committed to working together in a spirit of cooperation to improve our relationship and the effectiveness of our joint programs. The result of such cooperation will improve the working environment in our plants for all GM employees.

Any problems relating to the implementation of this document may be raised by either party and it is understood that any necessary modifications may be made by mutual agreement between the Corporation and the International Union.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (19),(23)]
[See Memo-Joint Activities]
[See Memo-Training; Memo-Attendance]
[See Memo-Human Resource Development]
[See Doc. 7,39,40,105]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, the parties reaffirmed their intent to continue the interpretation regarding Paragraph (76) expressed in the Louis G. Seaton letter addressed to Personnel Directors dated February 13, 1969. The text of this letter is as follows:

> "As a result of a series of discussions between the International Union, UAW, and the Corporation, it has been agreed that the provisions of Paragraph (76) of the 1967 GM-UAW National Agreement will be applicable to temporary employees with more than thirty (30) days' of employment who are released or discharged. This provision, of course, is not applicable to any employee laid off due to fluctuations in manpower requirements.
>
> "The parties also agreed that this interpretation is not retroactive. Accordingly, cases currently in the procedure involving temporary employees should be processed on their merits without regard to the procedural requirements of Paragraph (76)."

The provisions of Paragraph 76 will apply to employees hired pursuant to Appendix A as of the date of hire.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the current negotiations, the parties reviewed the Grievance Procedure provisions of the National Agreement for the purpose of identifying certain problems that have been encountered under those provisions in processing grievances to arbitration. Generally, it was recognized that the procedure, as currently constituted, has worked well. At the outset of the 1979 negotiations, the number of open cases on appeal to arbitration was at the lowest level in many years despite the fact there had been an increase in the number of grievances filed. However, the Union stated that some instances have occurred wherein grievances protesting an employee's loss of seniority, discharge or a series of disciplinary layoffs leading to a discharge, have met with delay in the procedure following their consideration at the Third Step and their resolution at the Umpire Step.

In view of the above, the Corporation agreed to provide the Union with a monthly summary of appeal cases open on the Umpire's docket protesting the loss of seniority, the discharge of employees and also those protesting progressive disciplinary actions which involve an employee whose discharge is also under protest in an open appeal case. This information will enable both the International Union and Corporation Umpire Staffs to monitor the number of such cases on appeal to the Umpire at any given time and to take remedial action on any particular cases which may be subject to undue delay.

In addition, the parties agreed to schedule regular meetings between the respective Umpire Staffs to establish future scheduling, to explore alternatives that could increase the frequency with which plant appeal cases are addressed and to review other problems of mutual concern.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (5),(19),(43)]
[See Doc. 44,45]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the Union's contention that, at some plant locations, an excessive number of Management representatives are present during some disciplinary interviews. The Union recognized that there are times when more than the customary number of Management representatives may be required because of their knowledge of the matter under discussion. The Union stated, however, that their concern was directed at other Management representatives who attended interviews solely as witnesses to the interview itself.

As a result of these discussions, the Corporation advised the Union that, as a matter of policy, Management personnel beyond those referred to above would not attend such interviews solely for the purpose of serving as potential witnesses to the interview itself. Additionally, should Management representatives in excess of the customary number be present in the interview, the district committeeperson may request, during that period of time, the presence of the zone committeeperson for that zone, or in the event that the zone committeeperson is absent or no at-large

committeeperson is assigned to that zone, another member of the shop committee present in the plant, provided the request would not result in undue delay of the disciplinary interview.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (76a)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the situation where the duration of an impending disciplinary layoff would encompass or abut a specified holiday. It was mutually recognized that a wide variety of local practices exist on whether loss of holiday pay is appropriately included in the layoff penalty.

To insure uniformity between plant locations in the administration of discipline in such situations, the Corporation advised the Union that, as a matter of policy as of the effective date of the 1979 National Agreement, loss of holiday pay will not be included as part of the disciplinary penalty assessed.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (76),(203)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, the parties discussed the subject of assessing corrective discipline for the shop rule regarding garnishments. Additionally, there was discussion concerning the variations in state laws relating to garnishments and the resulting inconsistencies between plant locations in the application of corrective discipline to garnishments.

In order to assure uniformity between plants in the handling of this matter and to insure compliance with applicable State and Federal laws on this subject, the Corporation informed the Union that, as a matter of policy as of the effective date of the 1979 National Agreement, formal disciplinary action will no longer be taken for future violations of the Shop Rule regarding garnishments.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (76)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current National negotiations, the parties acknowledged the desirability of ensuring prompt, fair and final resolution of employee grievances. The parties also recognized that the maintenance of a stable, effective and dependable grievance procedure is necessary to implement the foregoing principle to which they both subscribe. Accordingly, the parties view any attempt to reinstate a grievance properly disposed of as contrary to the purpose for which the grievance procedure was established and violative of the fundamental principles of collective bargaining.

However, in those instances where the International Union, UAW, by either its Executive Board, Public Review Board, or Constitutional Convention Appeals Committee has reviewed the disposition of a grievance and found that such disposition was improperly effected by the Union or a Union representative involved, the General Motors Department of the International Union may inform the Corporation's Industrial Relations Staff in writing that such grievance is reinstated in the Grievance Procedure at the step at which the original disposition of the grievance occurred.

It is agreed, however, that the Corporation will not be liable for any claims for damages, including back pay claims, arising out of the grievance that either are already barred under the provisions of the National Agreement at the time of the reinstatement of the

grievance or that relate to the period between the time of the original disposition and the time of the reinstatement as provided herein. It is further agreed that the reinstatement of any such grievance shall be conditioned upon the prior agreement of the Union and the employee or employees involved that none of them will thereafter pursue such claims for damages against the Corporation in the Grievance Procedure, or in any court or before any Federal, State, or municipal agency.

Notwithstanding the foregoing, a decision of the Impartial Umpire or any other arbitrator on any grievance shall continue to be final and binding on the Union and its members, the employee or employees involved and the Corporation and such grievance shall not be subject to reinstatement.

This letter is not to be construed as modifying in any way either the rights or obligations of the parties under the terms of the National Agreement, except as specifically limited herein, and does not affect sections thereof that cancel financial liability or limit the payment or retroactivity of any claim, including claims for back wages, or that provide for the final and binding nature of any decisions by the Impartial Umpire or other grievance resolutions.

It is understood this letter and the parties obligations to reinstate grievances as provided herein can be terminated by either party upon thirty (30) days notice in writing to the other.

It is agreed that none of the above provisions will be applicable to any case settled prior to December 13, 1976.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (38),(53),(79i)]

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Furnishing Work Elements - Standards Cases

To: All General Managers
All Personnel Directors

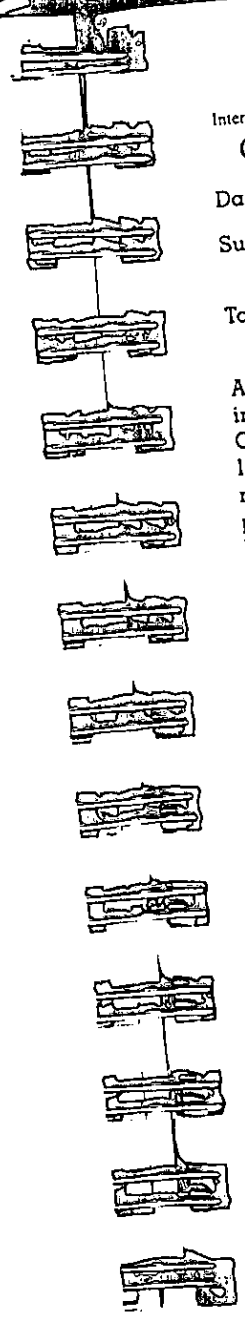
During current negotiations, General Motors informed the International Union, UAW that it was its intention to republish the Corporation's letter concerning Furnishing Work Elements - Standards Cases. The text of that letter is as follows:

"During past negotiations the parties discussed at length the Union's charges that there were occasions when the work elements of a job requested by the Committeeperson pursuant to Paragraph (79) were not furnished in a timely manner.

"The Corporation and the Union have reaffirmed their mutual determination to adhere to the spirit and intent of Paragraph (79). In addition, there is agreement that in nearly all cases a more expeditious settlement of grievances can be reached when there is prompt and full exchange of pertinent information. In this regard the text of Paragraph (79) of the GM-UAW National Agreement provides that the work elements of a job in dispute will be furnished 'without undue delay.' It is recognized by the Union that there will be occasions when due to production acceleration, volume of production standards grievances filed, etc., the information requested by the Committeeperson cannot be furnished as promptly as under normal circumstances.

"We have advised the Union that the words 'without undue delay' mean as soon as reasonably possible under circumstances existing at the time the request is made for the work elements of the job."

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations



Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Transfer or Re-Assignment of Employees

To: All General Managers
All Personnel Directors

As a part of the current negotiations General Motors informed the International Union, UAW that it was the Corporation's intention to republish Mr. L. G. Seaton's letter of December 15, 1967 regarding the transfer or reassignment of employees who complained about production standards or discipline. The text of that letter is as follows:

"During the negotiations resulting in the 1967 GM-UAW National Agreement, the parties discussed the claim raised by the Union regarding employees being transferred or re-assigned to 'less desirable' jobs because they initiated complaints regarding production standards or discipline. In addition, in the case of probationary employees, the Union stated that some were separated because they initiated production standards complaints.

"It is important for General Motors to retain its right to transfer employees in order to maintain and improve efficiency in our operations. It is also important to respect the right of employees to file legitimate grievances regarding production standards or disciplinary action.

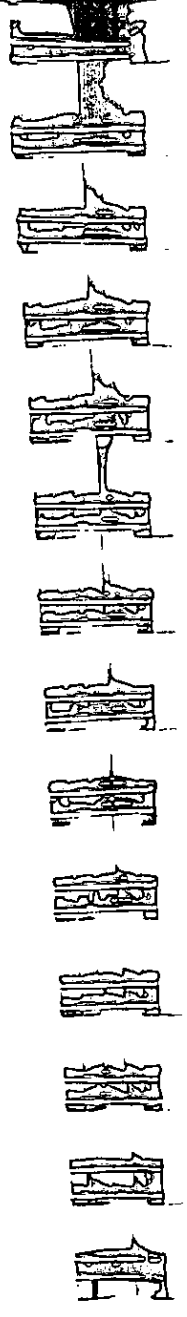
"The International Union has been advised that we do not consider it proper to transfer, re-assign or separate employees because they file such grievances.

"It is expected that this position will be given your full support and that of your Management organization."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (76).(79h)]



GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, General Motors and the International Union, UAW have reaffirmed the informal procedure dealing with the implementation of production standards settlements as outlined in Mr. Earl R. Bramblett's letter of October 5, 1964. The text of that letter is as follows:

"In the course of current negotiations the Union has alleged that in some cases the solution agreed upon in settlement of production standards grievances was not implemented in a timely fashion. The Union has also alleged that in certain cases settlements agreed upon were violated.

"In the course of these negotiations we have reaffirmed our mutual determination to avoid misunderstandings in this area in the future. In that connection, we have adopted the following informal procedure for use in cases in which it is alleged that a settlement of a work standards grievance, reached during negotiations in which a member of the GM Department of the UAW and a representative of the Central Office Labor Relations Staff of a multi-plant car or body division, and/or the Corporation Personnel Staff participated, has not been implemented in a timely manner, or that after implementation the settlement has been violated:

"1. The complaint may be reviewed by the Chairperson of the Shop Committee and Plant Personnel Director.

"2. If not resolved, the Chairperson may submit their statement of the case in writing to the Plant Personnel Director spelling out the details of the complaint.

"3. The Plant Personnel Director shall submit a written reply within one (1) working day of receipt of the written statement.

"4. If the matter is not resolved within three (3) working days after the Personnel Director's written reply, the Chairperson of the Shop Committee may submit a written report of the disputed case to the General Motors Department of the UAW in which case the Plant Personnel Director, after notice by the Chairperson of the Shop Committee of such submission, will submit a written report to his Divisional Central Office.

"5. If these parties are unable to resolve the dispute, it may then be reviewed by the General Motors Department of the UAW with the General Motors Labor Relations Staff where it will be resolved.

"This letter and this procedure are not intended to prejudice any contractual position either General Motors or the UAW may take in any case arising under the National Agreement."

It was agreed between the parties as a result of current negotiations that similar complaints regarding work standards grievance settlements that are resolved without the assistance of Corporation, Central Office or GM Department personnel may also be processed under this informal procedure.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (79),(79i)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The relief time in automobile manufacturing plants on operations on which the employees' manual operations are continuous and which cannot be left unattended and for which the Corporation provides "tag" relief, and on certain other operations that the Corporation determines are likewise of such a nature as to give the employees no control over their work pace, shall be twenty-three (23) minutes before lunch and twenty-three (23) minutes after lunch on a regular eight (8) hour shift, making a total of forty-six (46) minutes. This will not affect relief allowance now in effect on certain specific operations due to environmental job conditions. The amount of such relief shall be modified accordingly for a shift other than a regular eight (8) hour shift. The Plant Management may, by mutual agreement with the Local Union, allocate the relief before and after lunch to not more than two (2) periods before lunch and two (2) periods after lunch.

Sufficient labor will be provided to enable employees to obtain the above relief taking into consideration that the first hour at the start of the shift and the first one-half hour after lunch are not ordinarily required for relief except in emergencies.

The parties have agreed to continue the following informal procedure to address complaints regarding this subject.

1. The complaint may be raised by the Chairperson of the Shop Committee directly with the Plant Personnel Director.

2. If not resolved, the Chairperson may refer the problem to a representative of the General Motors Department of the International Union who may request a meeting with either a representative of a divisional Central Office or a member of the Corporation Labor Relations Section to discuss the complaint and take appropriate action.

This letter and this informal procedure are not intended to prejudice the position of either General Motors or the UAW.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Doc. 40, Att.A)]
[See CSA #4]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these Negotiations, the parties held discussions regarding the feasibility of providing vehicle purchase certificates to eligible GM-UAW retirees, which may only be used in conjunction with the purchase or lease of new General Motors vehicles assembled in the U.S. or Canada. Accordingly, General Motors will provide, on a one-time basis, two (2) such vehicle purchase certificates to those retirees or surviving spouses of retirees, based on the following guidelines:

- To qualify, the individual must be retired on or before September 30, 2003.
- GM-UAW retirees will be eligible for vehicle purchase certificates valued at $1,000 each.
- Surviving spouses of GM-UAW retirees will be eligible for vehicle purchase certificates valued at $1,000 each.
- The first vehicle purchase certificate will be valid from November 1, 2003, through December 31, 2004.
- The second vehicle purchase certificate will be valid from November 1, 2005, through December 31, 2006.
- Vehicle purchase certificates can be used in conjunction with other GM incentives (excluding PEP vehicles).

- Vehicle purchase certificates may be used for the purchase of only one vehicle each. Multiple vehicle purchase certificates cannot be used for the purchase of the same vehicle.

- All vehicle purchase certificates must be used in accordance with the GM Employee New Vehicle Purchase Program Rules and Guidelines.

- All vehicle purchase certificates may be used by eligible retirees, surviving spouses of retirees, or other family members eligible for vehicle discounts under the GM Employee New Vehicle Purchase Program Rules and Guidelines. Vehicle purchase certificates may not be sold or otherwise transferred for consideration.

The Corporation will distribute guidelines for the use of these vehicle purchase certificates at a later date. Questions from retirees and surviving spouses will be handled through the Employee Vehicle Assistance Center Program Headquarters.

Additional details will be developed and communicated to the Union as soon as they become available.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the UAW complained that procedures set forth in Paragraph (183)(d) are not being satisfactorily implemented by Management in many instances.

This letter is intended to clarify the intent and purpose of this provision:

1. The "advance discussion" except where time and circumstances prevent it, will take place "prior to letting the contract for the performance of maintenance and construction work," before any decision has been made as to whether the work should be contracted out. The "advance discussion" will include information as to "why Management is contemplating contracting out the work." It is evident that except as noted above, since Management is only "contemplating contracting out the work" when the "advance discussion" takes place, Management should not have made any decisions concerning whether or not to contract out the work before such "advance discussion" is held.

2. Management should advise the local Union of the "nature, scope and approximate dates of the work to be performed and the reason or reasons (equipment, manpower etc.), why Management is contemplating contracting out the work." This information is related to the letter dated December 14, 1967, to the International Union

signed by Mr. Louis G. Seaton. That letter makes reference to "manpower, skills, equipment and facilities" and also as to whether the Corporation "can do the work competitively in quality, cost and performance and within the projected time limit." Since any or all of these conditions may be entailed in the determination as to whether a particular contract should be let out or not, it is necessary that Management advise the local Union in the "advance discussion" concerning the item or items which are relevant to the decision-making.

3. If in the "advance discussion" it is clear that Management is only "contemplating contracting out the work" and if in addition all the pertinent information as noted above is supplied to the local Union, then local Union representatives will be given a better opportunity "to comment on Management's plans" and will also give an opportunity to Management "to give appropriate weight to those comments in the light of all attendant circumstances."
4. These advance discussions should include a Management representative of the Plant Engineering or Maintenance activities knowledgeable of the issues.

In addition the Union complained that in certain instances plant Management requested and contracted for maintenance service on leased equipment, and extended warranty arrangements or service contracts were being purchased which impacted the job security of seniority employees in skilled trades classifications. Management stated that, while Paragraph (183)(b) covers the "fulfillment of normal warranty obligations by the vendor", warranty arrangements that extend beyond those customarily provided or the obtaining of service contracts are not covered by these provisions. Rather, such arrangements or service contracts covering work normally and historically performed by represented skilled trades employees are to be considered in the same manner as contracts for the performance of maintenance work and such decisions

are covered by the provisions of Paragraph (183)(c) of the National Agreement. The local plant Managements will be advised accordingly.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (42a)]
[See App. F-F2]
[See Doc. 59]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the parties held lengthy discussions of subcontracting the construction of sheet metal dies and die tryout to non-General Motors sources and its effect on the job security of seniority employees in skilled trades classifications.

The Union complained that the current provisions of the National Agreement do not provide for the Union to have sufficient advance knowledge of possible impact of such subcontracting on the job security of seniority employees engaged in the construction of sheet metal dies and die tryout associated with major body sheet metal parts.

During the discussions the parties recognized that a large amount of such work is the responsibility of the Die Management Group-Metal Fabricating Division. The Die Management Group has substantial die construction capacity, however it has historically been necessary for them to subcontract portions of each annual model program because of, among other things, the efficiencies and economies involved, the need for specialized tools and equipment, special skills and the necessity of meeting production schedules, model change and plant rearrangement deadlines, the complicating effect of design modifications and bottleneck operations such as machining limitations and the unavailability of presses to perform the necessary tryout work.

In recognition of the Union's desire for advance knowledge of such subcontracting, the Corporation agreed that when a Local Plant Management at these locations is contemplating a decision to subcontract such die work to non-General Motors sources, Local Management will, except where time and circumstances prevent it, have advance discussion with Local Union representatives concerning the nature, scope and approximate dates of the work to be performed and the reasons why Management is contemplating contracting out the work. At such times, Management representatives are expected to afford the Union an opportunity to comment on Management's plans and to give appropriate weight to those comments in light of all attendant circumstances.

The International Union, UAW, expressed a desire to have knowledge of the overall scope of contemplated die construction programs and plastic body parts programs.

Accordingly, in addition to the above, the Corporation stated that Divisional Headquarters representatives have expressed a willingness to meet with representatives from the GM Department of the International Union from time to time to discuss the general nature and scope of die construction work and work normally done in the bargaining unit involving plastic body parts that is contemplated being contracted out by its Headquarters Offices.

In addition, the parties recognized that subcontracting in connection with major tool, die and engineering projects within other Divisions of the Corporation and at the Technical Center is an extremely complex subject. The different types of such work being subcontracted, time constraints imposed upon completion, facilities limitations and the variety of ways such work is handled among such other Corporation Divisions all add to the complexity of this subject. The Corporation stated that tool, die and engineering shops in other Divisions are primarily equipped and staffed to provide maintenance and service to productive operations. To provide individual

notice of each subcontract would be complex and burdensome, therefore, the parties focused their discussions on broader information concerning annual model programs and the introduction of major new products.

Accordingly, Headquarters representatives of such other Divisions and representatives of Technical Center facilities have expressed a willingness to meet with representatives of the GM Department of the International Union from time to time to discuss the nature and scope of major new product programs or annual model programs including major tool, die and engineering work of the type normally and historically performed by represented employees that the Division anticipates subcontracting to non-General Motors sources. In the event a plant is responsible for its own major new product programs or annual model program plans, Local Management will meet with affected Local Union representatives for the purpose of reviewing such plans and provide summary minutes of the meeting.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (122),(183)(d)]
[See App. F-F2]
[See Doc. 58,98]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the parties discussed pre-apprentice training as one method of achieving our common goal of bringing a greater number of members of minority groups and females into the apprentice training program. It is evident that we share a serious concern about the establishment of effective methods of achieving this desirable goal.

Accordingly, the GM-UAW Skilled Trades and Apprentice Committee, upon determining that a plant's skilled trades workforce is under-represented by minority groups and females, will consider matters pertaining to pre-apprentice training as it relates to achieving the above objective as well as approve any such training program for which points can be awarded under the GM-UAW Apprentice Selection Procedure.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (122)f,(127)(g)]

Doc. No. 61
APPRENTICE COMMITTEE MEMBERS – MANAGEMENT EXPERTISE

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

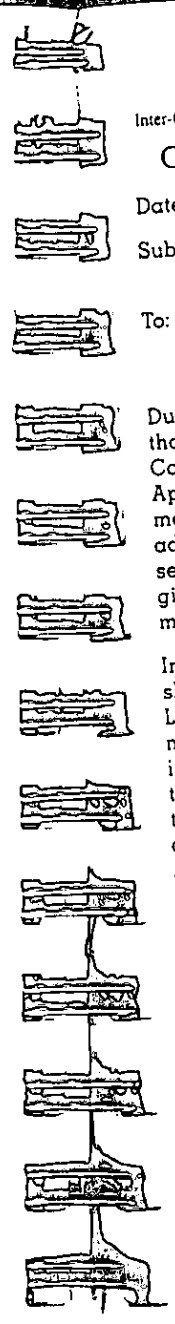
Dear Mr. Shoemaker:

During the 1990 Negotiations, the Union expressed concern that in some instances the Management members of the Local Apprentice Committee did not possess sufficient skilled trades knowledge or experience to adequately discuss Apprentice training concerns. The Corporation advised the Union that most Local Apprentice Committees contain a Management member who has skilled trades experience. At those facilities where such is not the case, plant Personnel Directors will be advised of the desirability of providing such a resource. Problems in this regard may be brought to the attention of the plant Personnel Director by the Local Union for review and correction, as necessary.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (124),(127)(g)]



Doc. No. 62
APPRENTICE TESTING AND THE LOCAL APPRENTICE COMMITTEE

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Apprentice Testing and
The Local Apprentice Committee

To: All Personnel Directors
Plants Covered by the GM-UAW
National Agreement

During the current negotiations, the Corporation agreed that the Union members of the Local Apprentice Committee would be informed of Local Management's Apprentice testing procedure. In this regard, the Union members of the Local Apprentice Committee are to be advised of the location, date and time that Apprentice selection tests are to be administered. Where tests are given on a regularly scheduled basis, the Union members should be advised of this schedule.

In addition, and as soon as is practicable, a meeting should be arranged with the Union members of the Local Apprentice Committee, in which the Union members are to be informed of the procedures followed in administering the Apprentice tests. In this regard, the Management representative should explain each of the tests and the instructions given when the tests are administered. Further, a Union member of the Local Apprentice Committee may sit in on testing sessions.

APPRENTICE TESTING AND THE LOCAL APPRENTICE COMMITTEE

In areas where consolidated testing is conducted, one Union representative, who is a member of a Local Apprentice Committee, may sit in on testing sessions.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations
[See Par. (127)(d)(1)]

Doc. No. 63

JOB SECURITY - APPRENTICE TRAINING AND JOURNEYMAN/WOMAN DEVELOPMENT

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Job Security - Apprentice Training and Journeyman/woman Development

During these negotiations, the Union and the Company acknowledged that skilled trades personnel provide vital support to operations, and that there is a direct relationship between the effectiveness of skilled trades personnel and the success and viability of the operations they serve. Establishing new levels of competence within the apprenticeable trades through training and retraining will permit the Union and the Corporation to pursue the critical objective of continuous improvement in quality, flexibility, operational effectiveness and, in turn, enhance job security.

Consistent with these discussions and in response to current skilled trades demographics, potential future retirements, and attrition, the Corporation has agreed to continue to place primary reliance on the GM-UAW Apprentice Program as the training source for future skilled tradesmen/women. Exceptions to this must be approved by the GM-UAW Skilled Trades and Apprentice Committee. Integral to this job security-related commitment would be actions to enhance the flexibility of both future apprentice graduates and current journeymen/women.

With regard to the expansion of the Apprentice Program, GM intends to continue to indenture apprentices Corporation-wide in the basic

apprenticeable trades. These additional apprentices will be added during the term of the 2003 National Agreement provided that qualified candidates can be found who meet all the selection criteria and affirmative action goals can be met. While the placement of apprentices will depend on a variety of business condition factors such as attrition, technological changes, business sector performance, future product plans and product allocation, the general economy, and sales and market trends, General Motors intends to pursue the objective to indenture (2,250) apprentices during the term of the 2003 National Agreement, and will make a good faith effort to increase the aggregate to (2,800). Requests for apprentices, the rate of placement, and forecasted requirements will continue to be reviewed by the National Parties consistent with other understandings regarding skilled trades job security.

It is understood that in cases where the above goals cannot be met, or there is an immediate need for Journeymen/women skills at a particular location, it may be necessary to hire Journeymen/women in place of the apprentices agreed upon in this letter. In that case, the Corporation will inform the International Union of the number of Journeymen/women hired and the reasons. Also, in these discussions the parties reviewed the need to give priority consideration to the placement of laid off skilled tradesmen/women (Journeymen/women, E.I.T.S., and Apprentices) as well as those currently assigned to Protected Status.

Furthermore, where changes in the type of operation, volume, product life cycle, or other reasons, have caused an excess number of Journeymen/women in a particular Skilled Trade/classification and placement in their trade/classification is not possible, the parties will pursue, where feasible and practical, the retraining of Journeymen/women to qualify them in another apprenticeable Skilled Trade in either their home plant or another GM facility, consistent with established Employee Placement Procedures. Such retraining could

be done within or outside the GM-UAW Apprenticeship Program. In any event, any such retraining programs must be approved by the GM-UAW Skilled Trades and Apprentice Committee.

It is anticipated that progress in the goals set forth in this letter will be reviewed periodically in regular meetings of the GM-UAW Skilled Trades and Apprentice Committee. Progress will be reported annually to the Director of the GM Department of the UAW and the Vice President - Labor Relations for General Motors, for review and adjustment where necessary.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (127)(d)(1),(127)(d)(2),(130)]
[See Par. (131),(152)]

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Apprentice Work Assignments

To: All Personnel Directors
Plants Covered by the GM-UAW
National Agreement

During the current negotiations, the Union raised the question of apprentices being assigned to work alone. The parties agreed that good judgment and a rule of reason should be used when making these assignments.

As a result of these discussions it was concluded that, consistent with existing training methods and facilities in the plant, apprentices should not be assigned to perform work without a journeyman/woman being present unless the apprentice has been trained to do the job; has been instructed in the proper safety procedures; and is considered competent to perform the assignment. Experienced journeymen/women will generally be available to assist the apprentice in many of the normal floor assignments until that level of competence has been reached. This will not change or restrict any mutually satisfactory local practices.

Specifically, during 2003 Negotiations, the Union raised concerns regarding apprentices assigned to work alone on "high risk" jobs. In this regard, it is the Corporation's intent to assign work to apprentices consistent with the policy outlined above and, therefore, "high risk" jobs would not be an appropriate assignment to be performed alone. However, the definition of such "high risk" jobs is subject to the approval of the respective Plant Safety Review Board.

Problems in this regard are a matter for review by the GM-UAW Skilled Trades and Apprentice Committee.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (122)h]

Doc. No. 64

Doc. No. 65
RELATED TRAINING BONUS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will confirm the understanding reached during the current negotiations that within a reasonable period after a laid off apprentice, Employee-In-Training or Employee-In-Training-Seniority has been recalled to work at any General Motors Plant, such employee will be paid an incentive bonus in recognition of satisfactory completion of any related training courses, required pursuant to Paragraphs (145) and (180), in which the employee was enrolled at the time of layoff. In the event the employee is not recalled within a reasonable period of time, such employee may apply to the home plant for the related training bonus.

In addition, with prior Management approval and arrangements with the school, apprentices whom Management anticipates recalling to the apprentice classification prior to the expiration of the school term may be enrolled for one term and become eligible for an incentive bonus on the same basis.

This incentive bonus will amount to a figure to be arrived at by multiplying the number of class hours in each course times the employee's straight-time hourly rate less the amount, if any, paid to the employee for such related training prior to layoff.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (140a),(140b),(146),(180)(d)]

Doc. No. 66

LAYOFFS – APPRENTICES AND EMPLOYEES-IN-TRAINING

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the parties discussed at length a problem encountered at some plant locations where employees-in-training and apprentices are in training to become journeymen/women in the same skilled trades classification and there is either a need for a reduction or increase in the number of such employees in a skilled trades classification.

The parties recognize the desirability of providing opportunities and training for employees through both the GM-UAW Standard Apprentice Program and the Employee-In-Training Program consistent with the needs of the business. To preserve the continuity of the Apprentice Program, which has generally been viewed as the long run source of skilled trades personnel in the apprenticeable classifications, the parties have negotiated appropriate provisions in the National Agreement to avoid unnecessary interruptions of the program. The Employee-In-Training Program is equally necessary and has been continued by the parties to supplement the journeyman/woman work force at times of increased work load and during shortages of skilled trades personnel. Importantly, the Employee-In-Training Program also provides opportunities for persons to upgrade their skills and provisions have been negotiated enabling employees-in-training to continue their training and achieve journeyman/woman status.

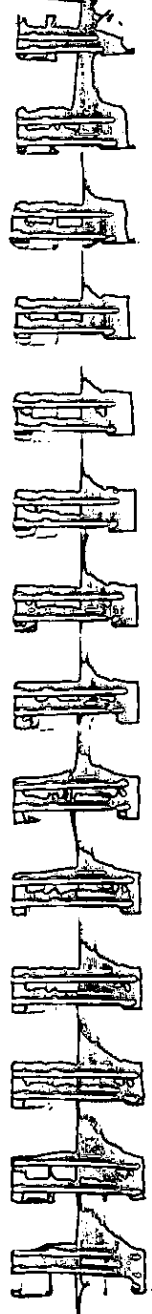
Employees-in-training may be reduced due to a reduction in force or displaced by a journeyman/woman in accordance with Paragraph (174) or by an employee-

in-training-seniority in accordance with Paragraph (175). Apprentices may be reduced due to a reduction in force or displaced by journeymen/women in accordance with Paragraph (140a). In addition, Paragraph (140b) provides that in the event of a drastic reduction in the level of work resulting in a heavy reduction in the skilled trades work force, additional apprentices may be reduced pursuant to a mutually acceptable layoff and recall plan agreed upon by the local parties. Likewise, temporary layoff situations are governed by locally negotiated provisions pursuant to Paragraph (177).

Except for those situations covered by National Agreement provisions, the following procedure will apply to the reduction of employees-in-training and/or apprentices when neither journeymen/women nor employees-in-training-seniority are reduced from the classification:

- Employees-in-training who have accumulated less than (2) years credited work experience in the classification in that plant will be reduced before any apprentice is reduced;
- Employees-in-training who have accumulated (2) or more years of credited work experience in the classification in that plant will not be reduced before all apprentices who have not completed (4) periods of the shop training schedule have been reduced from that classification;
- All employees-in-training in the classification will be reduced before any apprentice who has completed (4) periods of the shop training schedule is reduced.

The completion of (4) periods of the shop training schedule for apprentices and the credited work experience in the classification in that plant for employees-in-training for purposes of this procedure shall be based on a calculation made as of the last Monday of the month preceding the month during which such a reduction occurs.



Similar consideration is to occur when there is a need to recall a number of employees to a classification where there are both employees-in-training and apprentices reduced from the classification.

Any complaints regarding the application of this procedure in any plant may be taken up with Local Management of that plant by the Local Shop Committee and if not resolved may be reviewed by the GM-UAW Skilled Trades and Apprentice Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (122),(138),(161),(175)]

Doc. No. 67
CONVERSION TO METRIC SYSTEM

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

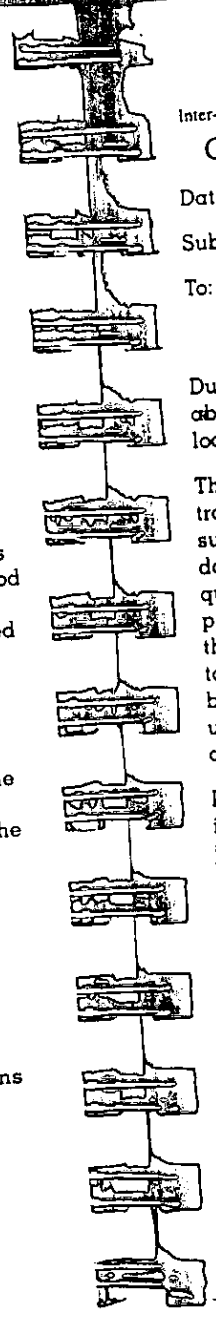
During the current negotiations the parties discussed the subject of conversion to the metric system and its effect on certain employee owned tools.

During these discussions the Corporation indicated its intention to make available during the transition period necessary metric tools and calibrated measuring instruments to skilled trades employees when required in the performance of their work. Such tools will be available in the tool cribs and charged out to skilled trades employees when they have need for them.

This policy does not preclude the use of conversion tables or any other alternate means of changing to the metric system in place of utilizing such tools or calibrated measuring instruments, nor does it alter the present requirement that skilled trades employees provide their own tools necessary to perform their duties, except as provided in the second paragraph hereof.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations



Doc. No. 68
ADMINISTRATION OF PARAGRAPH (178)

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Administration of Paragraph (178)

To: All Personnel Directors
Plants Covered by the GM-UAW
National Agreement

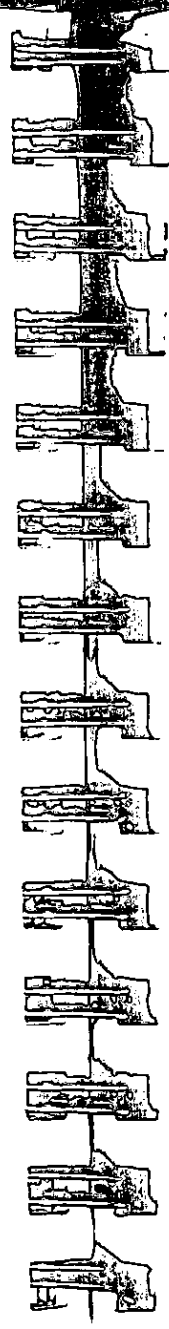
During the current negotiations the Union complained about improper administration of Paragraph (178) by local managements.

These complaints centered around the hiring of skilled trades employees as journeymen/women without sufficient checking by local Management of the documents presented by the applicants to assure they qualify for such status in accordance with the provisions of Paragraph (178). They also complained that in some instances Management shifted the blame to the Union when such an employee had to be released because, upon further investigation, the information upon which Management relied to hire the individual did not meet the criteria of Paragraph (178).

In response to these complaints the Corporation stated it would inform local managements that when proof of journeyman/woman status is not clearly established, such documentation will be furnished to the Chairperson of the Shop Committee and the matter will be thoroughly investigated before an employee is hired. In this regard, it was observed that establishment of such proof of status is often expedited when the applicant is a laid off bona fide UAW assured the Union journeyman/woman. Additionally, the Corporation that any explanation concerning the reasons a newly hired journeyman/woman employee must be terminated because of failure to meet the requirements of Paragraph (178) is to be based on those factual reasons and not on the fact that the Local Union may have questioned the matter.

The parties mutually agreed that both the local Management and the local Union must exercise fair but sound judgment when considering matters relative to Paragraph (178).

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations



GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

As a part of current negotiations, General Motors informed the International Union, UAW that Mr. George B. Morris, Jr.'s letter of November 22, 1976, concerning State Protective Laws and Their Impact on the Application of Paragraph (63)(a) would again be published. The text of that letter is as follows:

"This is to confirm our mutual understanding reached during 1976 negotiations with respect to the application of Paragraph (63)(a) of the National Agreement.

"When a promotion is contemplated pursuant to Paragraph (63)(a) of the National Agreement and there are female employees in the group for consideration for the promotion who, prior to May, 1970, could not obtain experience in the classification to which the promotion is contemplated by reason of the Corporation's interpretation of state protective laws, such lack of experience will not be considered in evaluating the relative ability, merit, and capacity of such females in comparison with other employees in the group provided such female employees are otherwise capable of performing the job. It is further understood individual seniority rights will not be breached as a result of application of the above."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 70
TRANSFERS AND PROMOTIONS – LOCAL SUSPENSION OF PROVISIONS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, General Motors and the International Union, UAW discussed the problem of the negative impact on product quality and customer satisfaction resulting from the movement of people through transfers, promotions and shift changes during critical periods in plant operations.

Accordingly, this letter is to confirm the agreement reached that the local parties are strongly encouraged to mutually agree on the suspension of the application of the National Agreement and local agreement provisions relating to transfers, promotions and shift changes, all or in part, during periods of model buildout, model startup, plant rearrangement, major line speed change, product change, addition or elimination of a shift, or other mutually recognized problem period. Further, such local agreements shall be reduced to writing and signed by the local parties.

If there exist instances wherein mutual agreement cannot be reached by the local parties, such instances may be referred to the National parties for review and disposition.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

See Par. (59),(63)]

Doc. No. 71
PARAGRAPH (63)(a)(2) – DEFINITION OF "WITHIN THE PLANT"

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, General Motors and the International Union, UAW discussed the various interpretations the term, "within the plant," as used in Paragraph (63)(a)(2) of the National Agreement, has within the Corporation based on differing physical layouts of facilities, geography, local nomenclature, etc. Accordingly, it was agreed that discussion and mutually satisfactory agreement as to the meaning of this term are appropriate at the local level.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Doc. 72]

Doc. No. 72
**PARAGRAPH (63)(a)(2) –
FILING FOR A SINGLE CLASSIFICATION**

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, General Motors and the International Union, UAW discussed the situation under Paragraph (63)(a)(2) of the National Agreement where a particular classification to which an employee desires advancement appears in several departments. This letter will confirm the understanding that, where an employee desires advancement to a particular classification that appears in several departments, such employee may designate on either or both of the two (2) applications on file up to five (5) departments in which that classification appears and be eligible for consideration for promotion to that classification in all departments so specified.

Further, a refusal of an offer of transfer to any department specified will cancel the application to that classification in its entirety and the employee may be entitled to only one (1) valid application under Paragraph (63)(a)(2) for a period of six (6) months thereafter.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Doc. 71]

Doc. No. 73
UNION WORK CENTERS

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Union Work Centers

To: All General Managers
All Personnel Directors

As a part of the current negotiations, General Motors informed the International Union, UAW that Mr. L. G. Seaton's letter of December 15, 1967 regarding Union Work Centers would again be published. The text of that letter is as follows:

"During 1967 negotiations the Union requested that a work center be furnished in each plant where designated Union representatives could meet internally regarding representation matters, prepare statements required by the Grievance Procedure Section of the National Agreement, and keep files necessary to carry out their functions.

"General Motors agreed to provide a suitable work center for the internal use of designated Union representatives in plants employing 200 or more employees. The Union recognizes that the work center will be for the use of designated Union representatives for the purpose only of handling internal Union affairs required by the National Agreement as they relate to the duties of their office. It is further understood that other employees may contact Union representatives in the work center during the non-work time of such employees.

"The size and location of the work center should be consistent with the use for which it is intended and shall be determined by the local management after consultation with the Chairperson of the Shop Committee. The International Union has been informed by the Corporation that each work center will include appropriate furnishings, such as desks or tables, chairs, filing cabinets, and an in-plant

telephone. It will, upon request of the local union, also be equipped with a private telephone billed directly to the local union.

"Divisional Management should consult Argonaut Realty Division regarding the size, construction of, and furnishings of such work centers."

Since Union Work Centers are not provided in plants with fewer than 200 employees, the Chairperson of the Shop Committee in those plants will be provided with two three-drawer file cabinets located in a mutually satisfactory central location. Suitable work space, to be determined by Local Management in accordance with availability of space and local conditions and after consultation with the Chairperson of the Shop Committee, will be provided on an as-needed basis. When it is necessary for the Chairperson of the Shop Committee to conduct a private conversation in the performance of his functions, Local Management will make an appropriate private location available upon request.

Any problems associated with implementation or administration of this letter may be reviewed with the Corporation's Labor Relations Staff by the GM Department of the UAW.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Work Centers]
[See Doc. 74,75,76]

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Center for Benefit Plans and Health and Safety Representatives

To: General Managers
Personnel Directors

As part of the current Negotiations, General Motors informed the International Union, UAW, that my letter of November 19, 1973 regarding the Centers for Benefit Plans and Health and Safety Representatives would again be published. The text of that letter is as follows:

"During the 1973 negotiations, the Union indicated that the increased complexities of the Benefit Plans Representatives' duties and the function that the Health and Safety Representative will be expected to perform make it desirable for these Representatives to be provided a Center from which to conduct their important activities. Such a Center would provide these Representatives a place to carry out their respective duties in a professional manner and to retain orderly records necessary to their functions.

"The Corporation agreed that such a Center is desirable for the internal use of the Benefit Plans and Health and Safety Representatives in the larger manufacturing and assembly plants.

"Following the conclusion of negotiations, the Corporation will advise the International Union of the plants in which such Centers will be included and will discuss with the International Union the size and location of the Centers, appropriate furnishings and other matters related to the uniform implementation of this Center letter.

"The Corporation and the Union, realizing the value of proper administration in these areas, agree that the Center shall be used only by the Benefit Plans and Health and Safety Representatives."

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Work Centers]
[See Doc. 73,75,76]

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Facilities for Union Members of Local Apprentice Committee

To: All Personnel Directors
Plants Covered by the GM-UAW National Agreement

During the course of the current negotiations, the Union cited the problem Union members of the Local Apprentice Committee have relative to keeping necessary records and preparing written materials.

To meet this problem, each location employing less than 50 apprentices is requested to furnish a file or a cabinet which will provide the Union members of the Local Apprentice Committee a place to store their records and do their necessary writing. This file or cabinet should be similar to that which has been furnished District Committeepersons in the plant and should be placed in an appropriate and secure location near their work area.

In addition, the Union requested and the Corporation agreed that at plants employing 50 or more apprentices, the Union members of the Local Apprentice Committee will be furnished a desk and chair for their use in the Center for Benefit Plans and Health and Safety Representatives to perform legitimate clerical functions which are related to their duties as provided in the GM-UAW National Agreement.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (124)]
[See Memo-Work Centers]
[See Doc. 73,74,76]

Doc. No. 76
SPACE AND FURNISHINGS PROVIDED FOR UNION BENEFIT PLAN AND HEALTH AND SAFETY REPRESENTATIVES AND THE UNION MEMBERS OF THE LOCAL APPRENTICE COMMITTEE

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the matter of space and furnishings provided for union representatives with responsibility for benefit plans, health and safety and apprentice matters.

We are interested as you are in providing facilities which enable all of these representatives to carry out their responsibilities. As soon as practical after the effective date of this agreement, in the locations where there is insufficient room to accommodate these union representatives in the present facility local Management will expand it to make this accommodation. It is understood that at some of these locations where plant layout considerations are involved local Management may accommodate the need for additional room by relocating the facility or by providing a separate space in a suitable location for some of these union representatives. In that regard, at locations employing 600 or more employees a second desk and chair will be provided for benefit plans representatives. We will work with you and our divisions on any problems in this regard brought to our attention.

The specifications of such new or expanded facilities will be consistent with the specifications originally established as a result of the George B. Morris, Jr. letter to the International Union, UAW, dated November 19, 1973, regarding the Centers for Benefit Plans and Health and Safety Representatives.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (124)]
[See Memo-Work Centers]
[See Doc. 73,74,75]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the duties of the Local Union President in certain General Motors plants. The parties agreed that the president's function includes, in addition to administrative duties as the Local Union's Chief Executive Officer, certain elements of National Agreement administration.

Accordingly, the Corporation agreed that in plants employing 500 or more employees where the Local Union President is a full time employee, such president will be allowed to perform legitimate administrative functions without loss of pay up to a total of forty (40) straight time hours per week. Moreover, in those same plants such president, as a portion of the forty (40) hours will be permitted to leave the plant in accordance with Paragraph (24) of the GM-UAW National Agreement and will be paid for up to six (6) hours per day Monday through Friday to perform legitimate administrative functions.

Such Local Union President shall notify the designated Management representative, when leaving and returning to the plant during working hours.

Moreover in those same plants when such Local Presidents are absent for at least one full working day for reasons other than those provided herein, Management will recognize a temporary replacement from among the full time employees. Notification of

such replacement shall be submitted in writing at least twenty-four hours in advance to Local Management's designated representative. In the event such a replacement is made, the Local President shall not be paid and the replacement will be permitted to utilize time out of the plant with pay pursuant to the provisions herein.

In plants employing less than 500 employees but more than 250 employees where the Local Union President is a full time employee, such president will be allowed to leave the plant in accordance with Paragraph (24) of the GM-UAW National Agreement to perform legitimate administrative functions without loss of pay for up to a total of ten (10) straight time hours per week. Any single period of absence must be for a minimum of two (2) hours.

In plants employing less than 250 employees but more than 100 employees where the Local Union President is a full time employee, such president will be allowed to leave the plant in accordance with Paragraph (24) of the GM-UAW National Agreement to perform legitimate administrative functions without loss of pay for up to a total of eight (8) straight time hours per week. Any single period of absence must be for a minimum of two (2) hours.

Any problems associated with the implementation or administration of this letter will be reviewed by the Corporation Labor Relations Staff with the GM Department of the UAW.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the current negotiations, the parties agreed the letter of October 8, 1987 regarding the anticipated termination of sick leaves would again be published. The text of that letter reads as follows:

"During the 1979 negotiations, the parties discussed at length the Union's concern that certain employees on sick leaves of absence were not made aware of the anticipated return to work date supplied to Management by the employee's personal physician.

"As a result of those discussions the Corporation advised the International Union that as a matter of policy it would, effective January 1, 1980 initiate a procedure whereby, in those instances where such information was submitted directly to Management by the employee's attending physician, an employee on a sick leave of absence would be provided written notification of the most current anticipated return to work date designated by his attending physician. A copy of this notification will be provided the Chairperson of the Shop Committee.

"In establishing such a procedure it is mutually recognized that providing or not providing such information will be without prejudice to either party in

the application of any terms of the National Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (106),(111)(b)]

Doc. No. 79
CHANGE IN ESTABLISHED SHIFT HOURS OR LUNCH PERIODS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the International Union raised the contention that certain local managements had failed to hold the advance discussion specified in Paragraph (88), regarding change in the established shift hours or lunch period.

Accordingly, the Corporation informed the Union that it would advise its Local Plant Management that the matter of a change in established shift hours or lunch periods will be discussed as far in advance as possible with the Shop Committee. A record of that discussion which includes the position of the local Union regarding the change will be published in the minutes of the second step meeting.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (5a)]

Doc. No. 80
CHRISTMAS HOLIDAY PERIOD

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This is to confirm our understanding concerning the Christmas holiday periods provided under our National Agreement.

The agreement is intended to continue the concept of an unbroken Christmas Holiday Period from the day before Christmas through New Year's Day (inclusive); a period that encompasses two weekends.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (66)(d),(203)(3),(203c)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will describe the methods to be used by NAO Compensation in regard to withholding of Federal income tax from employee's wages attributable to grievance awards, vacation pay and pay in lieu of vacation from employee's wages.

Grievance awards in excess of $500.00, but involving periods less than one calendar year, will be treated as supplemental wages and income tax withholding will be calculated using the Federal income tax regulations regarding supplemental earnings.

Likewise, pay in lieu of vacation also will be treated as supplemental wages and income tax withholding will be withheld using the Federal income tax regulations regarding supplemental earnings.

It should be noted that the tax withholding referenced above only covers the Federal withholding amount. An amount for FICA taxes and state or local income taxes, where applicable, will be in addition to the amount withheld for Federal income tax.

Grievance awards which are less than $500.00 will be aggregated with the regular payroll and the income tax withholding will be calculated on the total amount.

If a grievance award is made for a period of more than one calendar year, the income tax withholding will be calculated as if the payment were for a single annual period. Thus, in such situations, NAO Compensation

will use the annual percentage table to calculate the income tax withholding for such awards. This method would be the same as considering the award as having been paid equally over the preceding 52 weeks.

For vacation payments made for time away from work, such payments will continue to be treated as a regular wage payment; i.e., income tax withholding will be calculated as if the vacation payment represented a regular weekly wage payment.

The above methods are dictated by Federal Income Tax Regulations. Therefore, any change or amendment to such Regulations will, of necessity, have to be reviewed for compliance with the above changes.

Formal procedures to effect these changes are being communicated to NAO Compensation by separate letter, with instructions to make these changes as soon as practical.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of current negotiations, General Motors and the International Union, UAW reaffirmed the matter of Mr. Earl R. Bramblett's letter of November 11, 1970 regarding the problem of major plant arrangements and its possible impact on local agreements covering bargaining unit employees. The text of that letter is as follows:

"During the course of the present negotiations, the International Union raised the problem of major plant rearrangement and its possible impact on local agreements covering bargaining unit employees.

"The International Union specifically cited the alterations and rearrangements which took place at Saginaw Manufacturing, Saginaw, Michigan and Fisher Body Euclid Plant at Cleveland, Ohio. At the Saginaw facility the total plant layout was rearranged, new machinery was added and the character of the plant was completely altered. The Fisher Body Plant at Cleveland experienced a drastic transition changing from an auto assembly plant to a trim manufacturing plant.

"In each of the above cited examples, work assignments, seniority rights and wage rates, were drastically affected. In one case it required the local parties to negotiate a new wage agreement, seniority agreement, shift preference and

equalization of hours groups, as well as introduce a new wage structure which in some instances obscured the former wage agreement.

"Where there are such major changes in facilities, both parties agree that it is in their mutual interest to review the potential impact on local agreements with the objective of minimizing misunderstandings and reducing or eliminating possible disputes as far in advance of the event as practicable. Accordingly, the Corporation will discuss such situations with the International Union as far in advance as practicable."

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Inter-Organization

GENERAL MOTORS CORPORATION

Date: September 18, 2003

Subject: Overtime Policies

To: All General Managers
All Personnel Directors

As part of the current negotiations, General Motors informed the International Union, UAW that it is the Corporation's intention to continue its previous policy regarding overtime practices. This policy will be applicable only to those employees who are not covered by the provisions of the Memorandum of Understanding on Overtime.

There was considerable discussion in these negotiations about the claims of the International Union, UAW that too many employees who are required to work overtime over extended periods are not excused from overtime work assignments even though they have legitimate reasons to be excused.

The Corporation pointed out that overtime serves a number of functions essential to the effective operation of General Motors tightly integrated and interdependent manufacturing system. In many instances overtime must be worked at one or more plants in order to permit other plants to meet their schedules. Emergency overtime to repair breakdowns in essential equipment is often necessary to prevent or minimize interruptions in plant operations and resultant short work weeks for many employees. Overtime is also necessary on bottleneck jobs and also during certain times of the year in order to meet model change deadlines and to satisfy fluctuations in customer demand for General Motors products.

Both the International Union and the Corporation recognized that the nature of the business requires overtime work assignments. In many instances, however, less than a full complement in a supervisor's group is needed to fill the jobs which are working

overtime. When less than a full complement of employees is needed it is usually practicable for the supervisor to excuse employees who do not wish to work and confine the overtime assignments to those employees who do wish to work.

In situations where there are sufficient employees available who wish to work overtime and who are capable of doing the overtime work assignments, employees who do not wish to work overtime are to be excused from doing so, insofar as practicable.

Employees who are required to work overtime should be given as much advance notice as is practicable so that they can make any personal arrangements that may be necessary.

An individual employee's personal problems in connection with working overtime should be given careful consideration and such individual needs should be recognized. The individual employee's request to be excused from an overtime work assignment, when made a reasonable period of time in advance, should receive every possible consideration. When the request is granted the employee will be notified as far in advance as possible so that the employee can make personal plans accordingly. Thereafter, any cancellation or change in the arrangements to excuse the employee will only be made by mutual consent.

Except in situations of an emergency or crisis nature, an employee who is not assigned to a necessary continuous seven-day operation and who has worked thirteen consecutive calendar days will be excused from work on the next following Sunday provided the request for the day off has been made before the end of the employee's shift on the previous Friday.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (71)]
[See Memo-Overtime]
[See Doc. 116]

GENERAL MOTORS CORPORATION

Date: September 18, 2003

To: All General Managers
All Personnel Directors

Subject: Failure to Work Forty Hours as a Consequence of Severe Weather Conditions or Riots — SUB Plans

In general, the following SUB Plan determinations apply with respect to a plant shutdown in an area in which severe weather conditions or an actual or threatened riot have occurred. Attached as a tool to aid in the application of this letter is a flow chart. Nothing in the flow chart changes any terms of this letter.

1. With respect to a day for which the plant gives notification by public announcement or otherwise of a shutdown, a SUBenefit shall be paid as provided under the Plan to otherwise eligible laid off employees.

2. With respect to a day during which the plant attempts to operate but is forced to shutdown because of the absenteeism of employees, and forty percent (40%) or less of the employees scheduled to report for work on the shift have not reported to work prior to the shutdown, a SUBenefit shall be paid to otherwise eligible employees who reported for work but were sent home when the plant suspended operations; provided, however, that if the amount of such SUBenefit payable plus the pay for hours worked on such day equals less than the equivalent of 4 hours' pay, such employees shall be paid 4 hours' pay by the Corporation for such day (including pay for any hours worked) in lieu of such SUBenefit, as provided below. In calculating the SUBenefit, credit should be taken as Available Hours for any period between the starting time of the employees' regular shift and the time they reported for work.

(a) Employees who report for work during the first 4 hours of their regular shift on a day the plant has attempted to operate and subsequently shuts down, shall receive a SUBenefit for any hours not worked or made available during the period between the time they reported for work and the end of their regular shift; provided, however, that if the amount of such SUBenefit payable plus the pay for any hours worked on such day equals less than the equivalent of 4 hours' pay, the employee shall be paid 4 hours' pay by the Corporation for such day (including their pay for any hours worked) in lieu of such SUBenefit.

With respect to an otherwise eligible employee who reports for work during the last 4 hours of their regular shift, a SUBenefit shall be payable for any hours not worked or made available during the period between the time they reported for work and the end of their regular shift and the minimum 4 hours' pay provisions shall not apply.

(b) In addition to the provisions of 2(a) above, if overtime hours occur during the week in which the only day(s) of layoff is a day on which the plant attempted to operate but subsequently shutdown due to employee absenteeism, the SUBenefit for otherwise eligible employees shall be calculated with respect to the week. The SUBenefit amount, if any, plus the pay for any hours worked on such day(s) shall be measured against the minimum 4 hours' pay provision, if applicable, for such day(s).

However, if overtime hours occur during a week having 2 or more days of layoff, including at least one such day on which the plant attempted to operate but subsequently shutdown due to employee absenteeism, the overtime hours may only be applied to reduce

hours of layoff on days other than such days on which the plant attempted to operate.

Consequently, a separate SUBenefit shall be calculated for each such day on which the plant attempted to operate, and the amount of such SUBenefit, if any, plus the pay for any hours worked on such day shall be measured against the minimum 4 hours' pay provision, if applicable. If a SUBenefit is payable for such day, it shall be included and paid with any SUBenefit otherwise payable for the remainder of the week; provided, however, that the sum of such SUBenefits cannot exceed the SUBenefit, if any, that would otherwise be payable under the Plan for the Week.

(c) A SUBenefit shall not be paid to employees for a day when the plant was attempting to operate if such employees failed to report for work at any time during such day. The total number of hours of the employees' regular shift for such day (8 hours in most cases) will be included as hours made available but not worked in the calculation of any SUBenefit otherwise payable for the week.

3. With respect to a day during which the plant attempts to operate but is forced to shutdown because of the absenteeism of employees and more than forty percent (40%) of the employees scheduled to report for work on the shift have not reported to work prior to the shutdown, the facts and circumstances of the local situation will be reviewed with the Employee Benefits Section of the Personnel Administration and Development Staff and a determination shall be made by the Personnel Administration and Development Staff with respect to any additional SUBenefit eligibility beyond the eligibility provided under item "2." above. Where no additional SUBenefit eligibility is authorized, the provisions and procedures under item "2." above

will be followed. If additional SUBenefit eligibility is authorized, the following will apply.

(a) Employees who report to work at any time during their shift shall have all hours worked or paid for such day disregarded in calculating Compensated or Available Hours for the Week and shall be deemed to be on qualified layoff for the shift.

(b) Employees who did not report for work at any time during their shift shall be deemed to have been on qualified layoff for all of the day in calculating any SUBenefit otherwise payable for the Week.

The minimum 4-hours' pay provisions shall apply to all employees who report to work during the first four hours of their shift.

The foregoing SUB Plan determinations with respect to a day when the plant attempts to operate during severe weather conditions or during an actual or threatened riot apply only in situations where the plant is subsequently forced to shutdown because of employee absenteeism. If the plant shuts down early or employees are sent home for any reason other than employee absenteeism, eligible employees should be paid SUBenefits with respect to any period of qualified layoff to which they may be entitled under the Plan and the minimum 4 hours' pay provisions shall not be applicable.

4. With respect to a day during which the plant operates in an area in which severe weather conditions or an actual or threatened riot have occurred and more than forty percent (40%) of employees scheduled to report for work on the shift do not report to work at any time during their shift, the facts and circumstances of the local situation will be reviewed with the Employee Benefits Section of the Personnel Administration and Development Staff and a determination shall be made by the Personnel Administration and Development Staff with respect to any SUBenefit eligibility for any

employee for such day. If the determination does not authorize any SUBenefits then no SUBenefit eligibility will be determined under the provisions of this letter. If a determination is made to authorize SUBenefit eligibility for the shift, such eligibility and SUBenefit calculation shall be made in accordance with item "3." above.

In determining whether a plant shall attempt to operate during such severe weather conditions or during a riot occurring in the plant area, consideration should be given to the severity of the condition, actions of other employers in the area, and instructions, advice or proclamations issued by local or other authorities.

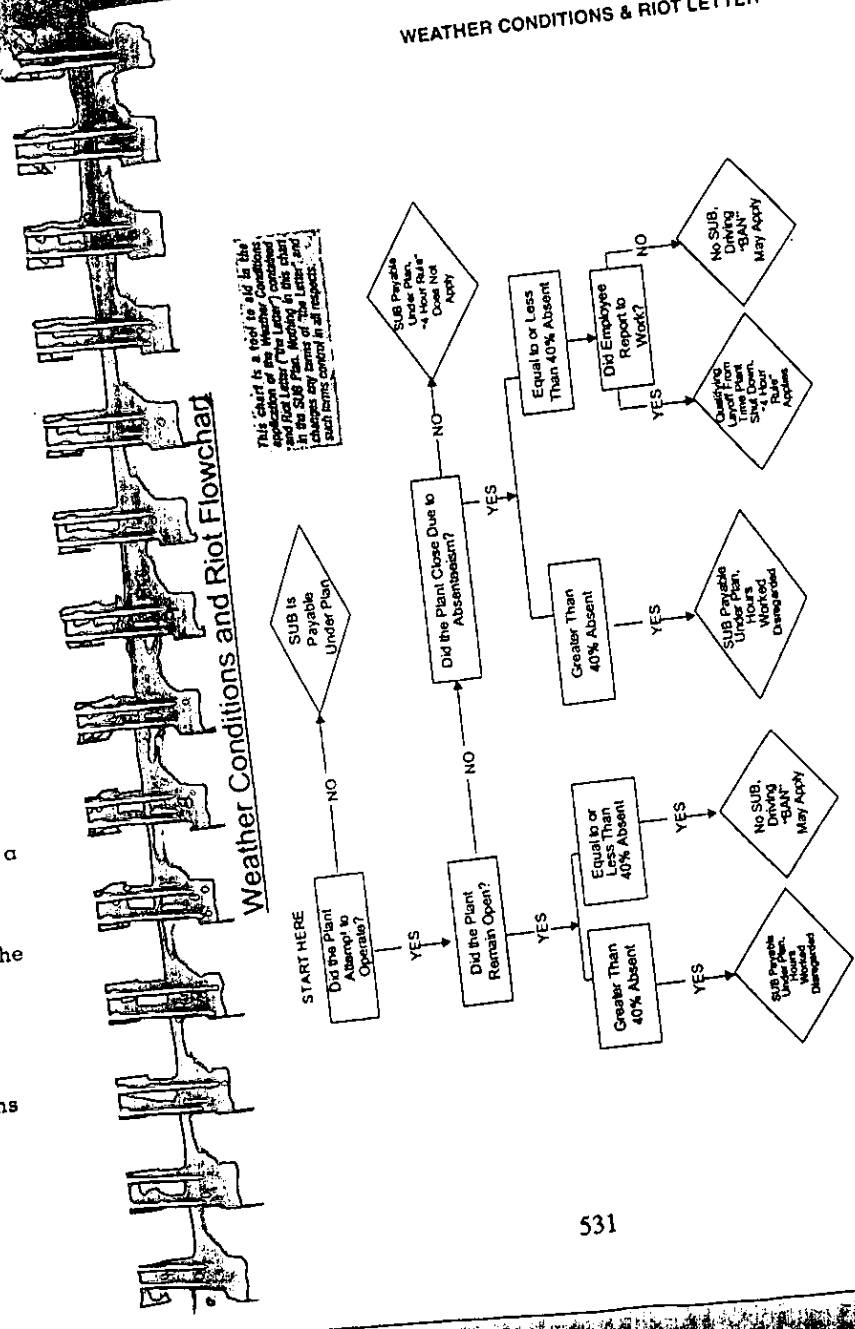
Employees who are unable to get to work due to a "BAN" on driving will be considered on Qualified Layoff for 8 hours for the day. "BAN" means that under a local law/ordinance which is proclaimed to be in effect through a public safety announcement, that persons caught driving in a specified area (through which employees had no alternative but to travel to get to work on regular shift) will be ticketed, fined and/or jailed. Documentation of such public safety announcement is required from, and on behalf of, the employee(s) involved.

During the 1967 negotiations, it was understood by the parties that the Union's agreement with the Company SUB Plan determination to be followed with respect to a plant shutdown in an area in which severe weather conditions or an actual or threatened riot have occurred, as set forth in this letter, will in no way jeopardize or limit employee's right of appeal under the Plan to any such Company determination.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Attachment

[See Par. (80),(224)]
[See SUB-Exhibit D]



GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed at length issues that have arisen regarding the application of Local Wage Agreements in the Corporation's passenger car and truck assembly plants. The parties reviewed differences that currently exist in the Local Wage Agreements at such plants resulting from the different history of these plants, such as whether the plant was initially a BOP Division bargaining unit or separate Fisher Body and Chevrolet bargaining units that were subsequently merged into a single GM Assembly Division bargaining unit. These historical differences have resulted in some wage rate variations which the parties have attempted to address in previous negotiations. Likewise, plants engaged in various manufacturing operations have different Local Wage Agreement histories which resulted in classification structures that are not compatible with modern manufacturing methods and organizational structures.

In recognition that continuing improvements in the employee's quality of work life, quality of the product, and operational efficiencies are necessary and desirable, the parties have explored various methods to improve the wage structure at the Corporation's plants of the Car and Truck Groups and other operating Divisions.

The parties agreed that innovative wage agreements could be instrumental in attaining these objectives and,

accordingly, the National parties have agreed to work with and support any plant where there exists a mutual desire to explore such a concept.

Although not meant to restrict the full range of ideas and concepts which could be explored, the parties examined the concept of establishing three (3) non-skilled rates in an assembly plant; sanitation/maintenance, production, and utility. It was understood that appropriate transfer, seniority, shift preference, and other modifications are desirable and necessary to support such an innovative wage structure. This concept would be only one of the options available to a plant that desired to explore innovative wage structures. "Levels of Learning" or "Pay For Knowledge" systems would also be options to be considered.

If at any local plant there is a mutual desire on the part of Management and Union to explore any such innovative wage agreement concepts, they are specifically encouraged and authorized to discuss and propose such modifications. The National parties will provide any necessary assistance to the local Union and the local Plant Management. Any final agreement shall continue to be subject to the approval of the National parties, who will review these proposals in line with the concepts outlined in this letter.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

See Par. (89a).(97)]
[See CSA #11]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, General Motors and the International Union, UAW, discussed the problem of "seniority slippage" under Paragraph (69) which inhibits bargaining unit employees from accepting assignments to fill supervisory positions. It was recognized that in many instances it would be of mutual benefit to the parties for these employees to function in such positions.

Accordingly, this letter serves to confirm the agreement reached between the National parties that:

1. The transfer of any employee from a job classification in the bargaining unit to a supervisory position will result in the recall of a seniority employee from layoff status, if available, consistent with the provisions of the J.O.B.S. Program, and/or;

2. The transfer of an employee from a supervisory position back to the bargaining unit does not result in the layoff of a seniority employee;

Paragraph (69) of the National Agreement will be modified in the following manner:

(69) Any employee who has been transferred from a supervisory position to a job classification in the bargaining unit shall be credited with the seniority the employee had established prior to March 1, 1977, all time worked in the bargaining unit subsequent to March 1, 1977, and all time worked in a supervisory

position subsequent to the effective date of this agreement provided:

(a) They previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(b) Their employment with the Corporation has remained unbroken.

Such employee may be placed on the job to which the employee's seniority would entitle the employee under the local seniority agreement, beginning with the last previous job the employee held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, the employee may be placed in accordance with Paragraph (59). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

In order to assure accurate and timely administration of the conditions stated above in Paragraph (69) of the 1984 GM-UAW National Agreement, the following procedures will be instituted:

1. When any employee is transferred from the bargaining unit to a supervisory position, the Chairperson of the Local Union's Shop Committee will be given a letter specifying the employee's name and the name of the seniority employee who is recalled from layoff status.

2. When such supervisory employee, specified above, is returned to a job classification in the bargaining unit, the Chairperson of the Local Union's Shop Committee will be given a letter, notifying the Chairperson of such transfer back into the bargaining unit.

MODIFICATION TO PARAGRAPH 69

Any complaints regarding the administration of this procedure may be raised by the Chairperson of the Shop Committee directly with the Plant Personnel Director.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This letter is to confirm certain agreements reached by General Motors Corporation and the International Union, UAW, regarding the calculation of the Cost of Living Allowance pursuant to Paragraphs (101)(d) through (101)(l) of the National Agreement.

The table in Paragraph (101)(h) has been constructed to provide that 1¢ adjustments in the Cost of Living Allowance shall become payable, sequentially, for each 0.08, 0.08, 0.08, 0.08, 0.08, and 0.09 change in the Index, and so forth, with that sequence of changes being repeated thereafter in the table so as to produce an average adjustment over time of 1¢ for each 0.08159 change in the Index.

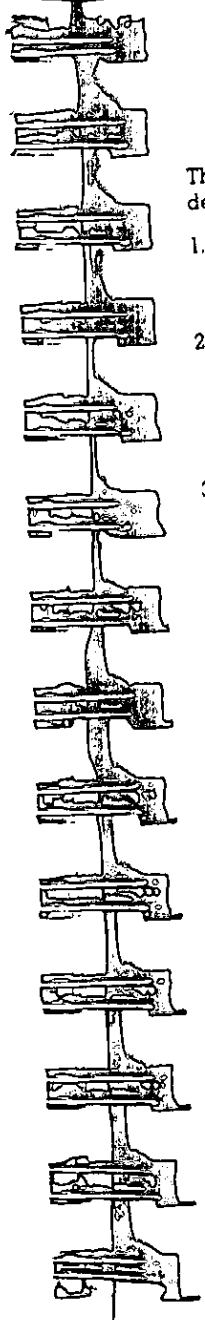
If the Union claims that the Corporation's calculations in any particular instance were not made in accordance with the terms of this Letter of Understanding, it may pursue such claim in accordance with the provisions of Paragraph (55) of the new National Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Attachment

[See Par. (101)(d),(101)(g),(101)(h)]
[See CSA #10]



ENGINEERING METHOD OF ROUNDING

The following rules of rounding shall apply to the determination of the Consumer Price Index:

1. If the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.

2. If the leftmost of the digits discarded is greater than 5, or is 5 followed by digits not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits, 130.557 becomes 130.6.

3. If the leftmost of the digits discarded is 5, followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the parties clarified our understanding that all Joint Program and Benefit Representatives are entitled to transfer pursuant to the terms of Paragraphs (63) (a) (1), (63) (a) (2) and (63) (b) provided they are the applicant with the most seniority.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Parties agreed that modifications to the Employee Placement System and the SEL Reporting System are necessary for proper administration of the National Agreement. In addition, it is necessary to develop a system to track the sourcing impact on employment.

The Parties further discussed the need to provide access to these systems by the International UAW Representatives assigned to the Employee Placement/Job Security Section.

Expenses associated with these systems (i.e., software, hardware) will be jointly submitted to the Executive Board-Joint Activities for their approval.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 90
PERSONAL PRIVACY

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the Union raised a number of concerns regarding the subject of personal privacy. The discussions centered on the collection and dissemination of personal data concerning employees and/or their conduct in the workplace.

The Corporation reassured that it places as much importance on the confidentiality of such information as does the Union. In this regard, the Corporation will continue to protect and respect the confidential nature of all personal information. Both the Corporation and the Union agreed that the collection and dissemination of all such data must be related to the legitimate needs of the business or as required by any local, state or federal law, regulation, or court order.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 91
SALE OF BUSINESS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the Union requested the Corporation to agree that any sale of an operation as an ongoing business would require the buyer to assume the 2003 GM-UAW Collective Bargaining Agreement. The Corporation agreed to do so in the case of any such sale during the term of the 2003 Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties agreed to provide an up-front lump sum payment of $3,000 to each eligible employee who is represented by the Union. Such payment will be made in the second pay period following receipt by the Corporation of written notification of ratification of this Agreement.

Eligible employees who are represented by the Union are defined as those whose status with the Corporation on the effective date of this Agreement is one of the following:

- Active (excluding those hired pursuant to Appendix A, Section IX);
- In protected status;
- On temporary layoff status;
- On one of the following leaves of absence not greater than ninety (90) days:
  - Informal (Paragraph 103)
  - Formal (Paragraph 104)
  - Sickness and Accident (Paragraphs 106/108)
  - Pursuant to Family and Medical Leave Act
  - Military (Paragraphs 112 or 218a)
  - Educational (Paragraph 113);
- Employees, represented by the Union, otherwise eligible with retirements processed for an effective date of October 1, 2003.

In addition, should the International Union, UAW GM Department raise any question of equity in application regarding specific employees who are represented by the Union, the Corporation agrees to meet on such cases in order to review the facts.

As has been our practice with prior up-front lump sum payments, the payment is conditioned solely on the membership's ratification of the Agreement and is paid to eligible employees in the above status whether or not they vote for ratification or perform any services for the Corporation.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 93
BEREAVEMENT VACATION WITH PAY

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the possibility of a death of an immediate family member as defined in Paragraph (218b) of the GM-UAW National Agreement occurring during a period in which an employee is on vacation time off with pay.

This confirms our understanding that if such circumstances occur where the employee has satisfied the requirements of Paragraph (218b), the employee will be entitled to three additional days, or five additional days in the case of the death of an employee's current spouse, parent, child, or stepchild, of vacation time off during the employee's vacation eligibility year. If an employee does not use these days by the employee's next vacation eligibility date, the employee shall be compensated for these days at a rate of pay established in accordance with Paragraph (193a) of the GM-UAW National Agreement. Recovery of overpayments made pursuant to this understanding will be made in accordance with Paragraph (202l).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 94
HOLIDAYS OCCURRING DURING AN APPROVED VACATION

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the parties discussed the situation where an employee has applied for and been granted a vacation for a calendar week which contains a holiday as defined by Paragraph (203) of the GM-UAW National Agreement. The Union was concerned that if an employee was credited with a full week of vacation time off under this situation, the employee would not be able to receive the employee's full vacation time off as contemplated in the Vacation Entitlement Section.

The Corporation recognizes the desirability of providing vacation time off up to the employee's eligibility for vacation entitlement as of the end of the current eligibility year. Accordingly, the Union was advised that in situations described above an employee would be eligible for an additional day of absence for vacation purposes to be scheduled in accordance with local practice. This would not apply to holidays falling within the Christmas Holiday Period as defined in Paragraph (203).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the discussions that led to the 1990 Collective Bargaining Agreement, the parties held lengthy discussions regarding the grievance procedure and its proper implementation. Both parties acknowledged that the Grievance Procedure has worked well over the years in resolving problems when it was properly administered as outlined in the National Agreement.

The Union claimed that in some instances, the Grievance Procedure provisions have not been properly applied relative to the intent of the National Agreement. Specifically, the Union remarked that at some locations, grievances were allowed to accumulate at the various steps of the Grievance Procedure and/or were not answered in a timely manner at the lower steps of the procedure. The Union further claimed that in some cases Management representatives were not available for or were unwilling to schedule regular grievance meetings. The Corporation stated their concern that at times, Union Representatives demanded answers to grievances before Management had an opportunity to investigate the charges contained in the grievance.

As a result of the foregoing, the parties reviewed the contents of Document No. 44 and Document No. 45 and reaffirmed their mutual desire and intention to assure that grievances will not be unduly delayed nor allowed to accumulate at any step in the Grievance Procedure in any plant. Furthermore, it was recognized that both parties have the responsibility to meet regularly on

grievances in accordance with the terms of the National Agreement and that such meetings should not be postponed or delayed unnecessarily. In this regard, the parties agreed that complaints in this area will be handled under the provisions of Paragraph (5a) of the National Agreement. Before such problems are referred from the plant, however, the situation will be discussed between the Chairperson of the Shop Committee, the President of the Local Union and the Regional Servicing Representative, and the Plant Manager and Personnel Director.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (28)-(45)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the current negotiations, the Union expressed concern that some disciplinary interviews escalated into confrontation because tempers flared. The Union suggested that in these situations a "Cooling Off" period would be beneficial to all concerned.

The Corporation and the International Union agreed that contemplated discipline should be discussed in a calm manner allowing for an objective evaluation of the facts. In those situations where emotions preclude this from happening, the parties agreed that as a matter of practice and when possible such discussions should be postponed until such time that, in the opinion of Management, a constructive exchange of information could occur.

Notwithstanding the foregoing the parties recognized that certain actions such as assault, or other serious acts of misconduct would render the "cooling off" period totally inappropriate.

Additionally, it was mutually recognized that providing or not providing a "cooling off" period will be without prejudice to either party in the application of any terms

of the National Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (76a)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Union expressed concern with the application of Paragraph (63) of the GM-UAW National Agreement. The Union specifically expressed concern over the use of disciplinary and attendance records in determining the merit ability and capacity of applicants for promotional opportunities.

The Corporation advised the Union that retaining the ability to promote the most qualified applicants was essential to its commitment to make quality products and to maintain efficient operations. The Corporation assured the Union that in evaluating disciplinary and attendance records in determining merit ability and capacity for promotional opportunities, the exercise of good judgment was essential. In evaluating the records of two employees who have applied for a promotion, if the records are to be the deciding factor, there must be a meaningful difference between them.

The Corporation advised the Union that after the effective date of the new GM-UAW National Agreement, it intends to review the contents of this letter with local Management to insure fairness in the exercise of these rights.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the recent negotiations, there were discussions concerning subcontracting which resulted from inadequate communication about such matters. As a result of these talks, Management reaffirmed the commitment which was made in an A. S. Warren, Jr. letter to General Managers in 1987 that reads as follows:

"During the current agreement we have experienced many labor relations problems in the plants in handling subcontracting matters. There were several five day letters and strikes and other major problems finally settled just short of the issuance of five day letters by the UAW.

"In many of these instances the root cause of the problem is lack of communication. Inadequate communication has occurred at the Group level with International Union representatives and at the Divisional and local plant level as well. The GM-UAW National Agreement currently requires timely meetings in advance of the decision to subcontract work normally and historically performed by General Motors skilled trades employees. I am informed, however, that some meetings relative to major die construction and die tryout are not held at all or not in advance of the subcontracting associated with the program.

"In addition, plant level meetings with local union representatives relative to routine maintenance

contracting are often held after the contract has been let and insufficient useful information is provided to the union for them to consider and make appropriate comments relative to Management's plans.

"The Corporation intends to achieve world wide competitive status utilizing not only the skills of our employees but also the suggestions and ideas of the people and the unions as to how work can best be accomplished at the lowest possible cost with the highest possible quality and on time.

"This approach to managing the business should be utilized throughout the Corporation at all levels: production, skilled and technical. Obviously such discussions should be held in a timely manner with appropriate management and union personnel.

"Accordingly, please assure that an appropriate representative of management in each personnel department is responsible for having adequate information about each subcontract for the performance of skilled trades work covered by the subcontracting provisions of the agreement. After determining that required discussions have been held this representative would approve the contract prior to its being let to an outside firm. This will require complete understanding and cooperation of our contractual requirements by the plant's engineering and purchasing personnel.

"The restructuring of General Motors has resulted in different people and a variety of teams now having responsibility for advance model die construction. Please assure that all executives or others involved with product teams are made aware of our contractual requirements. A specific member of each team should be given the responsibility of informing the personnel director well in advance of the actual beginning of die construction. The objective is to enable the personnel director to inform the union in advance of any impact on the bargaining unit in accordance with Document 59 in the National Agreement.

"There are numerous examples where complete, advance communications with the union and the skilled trades employees has resulted in important projects being completed on a competitive basis in terms of quality, cost and timeliness. The result has been a feeling of pride of accomplishment shared by the union, employees and the managers.

"Plant relationships can only be improved by open, frank communications in all areas, particularly in carrying out our subcontracting responsibilities.

"Mr. Stempel and the Executive Committee are in complete agreement that extraordinary attention must be given to our managerial responsibilities in this area. I have been assured by the International Union that we will have the full assistance of the GM Department Staff in bringing about improved plant relationships when we have installed full, advance communications relative to business decisions involving subcontracting."

Furthermore, with regard to tool, die and represented engineering work, including prototype, pre-prototype and Die Engineering Services work, several local Managements and Unions have implemented a process of advanced notification, review, and competitive analysis which has enabled the parties to consider and serve the interest of skilled tradespersons in job security, as well as Managements' needs for competitive and timely performance of this kind of work. Therefore, the Corporation and the International Union are in agreement that they will encourage other locations to implement this approach in order to avoid conflicts over the subcontracting of such work.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The following is the text of General Motors written and published policy regarding sexual harassment.

"General Motors has had for many years a written and widely distributed policy on equal opportunity employment. Sexual harassment, as in the case of harassment based on age, race, color, sex, religion, national origin, disability or sexual orientation has long been regarded as a violation of this policy.

"All employees are expected to deal fairly and honestly with one another to ensure a work environment free of intimidation and harassment. Abuse of the dignity of anyone, through ethnic, racist or sexist slurs or through other derogatory or objectionable conduct, is offensive employee behavior. Sexual harassment also includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature.

"All GM employees are entitled to a work environment in which words and actions do not have even the appearance of disrespect. Sexually-oriented jokes, cartoons, pictures, language, certain gestures and touching may be offensive to people and, therefore, may result in a hostile work environment. This type of conduct will not be tolerated in the workplace. General Motors facilities must be free of hostility resulting from sexually-oriented behavior. It is the responsibility of management and each employee to maintain an environment free of hostility.

"As in the case of other unfair employment practices, if you believe you have been subjected to sexual harassment, you may bring your concerns to the attention of either your immediate supervisor, personnel director, representative, or union representative, or you may utilize appropriate and existing internal complaint procedures."

General Motors and the UAW are in agreement that complaints of sexual harassment should be dealt with promptly and fairly under existing internal procedures as provided under Paragraph (6a) of the National Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations the Union complained there has been inconsistent administration of the "normal warranty" provisions of Paragraph 183(b) of the National Agreement. The Union indicated that plant managements insist on warranties beyond normal periods of time and that our skilled employees are not assigned to the new equipment or machinery until long after it has been in the plant. This does not provide the opportunity for our own skilled trades to learn how to keep such equipment operating effectively.

The Corporation informed the Union that good business practice includes the use of warranty arrangements sufficient to assure that the equipment purchased by the Corporation performs according to specifications required by the purchase contract.

The parties agreed that many locations through cooperative efforts such as assigning UAW-GM employees with vendors during installation and servicing, progressive training arrangements both onsite and offsite, etc. have resolved all their problems attendant to this issue. The Corporation and the International Union encourage each local union and local management to pursue such reasonable working agreements.

Instances that are not resolved may be handled under the subcontracting provisions of this agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

UAW INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

September 18, 2003

Mr. Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations
General Motors Corporation
30009 Van Dyke Avenue
Warren, Michigan 48090

Dear Mr. Clarke:

During these negotiations, the parties discussed the relationship between the employee paid health care benefits received by UAW-General Motors employees and the general cost of living. As a result of these discussions, the parties agreed to base future cost of living adjustments on the Consumer Price Index for Urban Wage Earners and Clerical Workers (current series, CPI-W, for all items less medical care, not seasonally adjusted, United States City Average), as published by the Bureau of Labor Statistics (1982 - 1984 = 100). This will become the new Index.

This letter is to confirm that the changes to Paragraphs (101)(f), (101)(g), and (101)(h) of the 2003 National Agreement and to Document No. 87, the letter of understanding on COLA calculation required for the conversion to the new Index, are intended to maintain the same mathematical wage replacement ratio as existed for the May - July 2003 quarter.

In this regard, it is our intention to construct cost of living adjustment tables in the following manner:

Tables shall be based on a new formula value that bears the same relationship to the May-June-July 2003 average for the new Index that the previous formula value of 0.25 bears to the May-June-July 2003 average for

the all items CPI-W on the 1967 base. This yields a new formula of a one cent adjustment for each 0.08159 change in the new Index.

New adjustment brackets will be taken to two decimal places and will follow a repeating cycle of .08, .08, .08, .08, .08, .09, .08, .08, .08, .08, .08, .09, etc.

Very truly yours,

Richard Shoemaker
Vice President and Director
UAW General Motors Department

Doc. No. 102
TUITION ASSISTANCE PROGRAM
COLLEGE RECOGNITION

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of national negotiations, the parties held extensive discussions on issues involving the Tuition Assistance Program (TAP). One of the issues discussed concerned utilization of TAP benefits to obtain educational credit for certain in-plant training. In this regard the parties agreed as follows:

In instances where employees, by virtue of their job assignment, are being provided with technical or professional training, the parties will jointly work with local recognized degree granting institutions to determine the possibility of obtaining credit for such training. Such credit would be applied toward recognized degree requirements only if the employee so desires. Additionally it is anticipated that costs for such credits will not normally equate to full credit hour charges at the institutions involved. Some examples of circumstances under which this understanding would be utilized are training programs associated with Health and Safety or Employee Assistance Program assignments and applicable Center for Human Resources Developed Training Courses.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Tuition Assistance]
[See Doc. 7,39]

Doc. No. 103
UAW-GM JOINT PROGRAMS TELEVISION COMMUNICATIONS SERVICE

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Since the 1990 National Agreement, the UAW-GM National Center for Human Resources sponsored, developed and/or produced several independent satellite programs for GM-UAW represented employees.

During these negotiations, the parties discussed the need to further investigate, analyze and implement an integrated Television Communications Service and the Union's desire to install satellite broadcast capabilities at the UAW-GM National Center for Human Resources. To this end the parties, using appropriate technical consultants, will continue to investigate and analyze systems and programming requirements.

Upon completion of the above investigation the parties agree to systems development and implementation consistent with timing and funding established by the Executive Board—Joint Activities.

General Motors facilities with more than 200 employees will install receiving capabilities. Alternate arrangements will be made for units of less than 200 employees.

Content, timing, production, and frequency of programming and broadcasts of the Joint Programs Television Communications Service will be agreed upon jointly by the parties. Such programming and broadcasts would be sponsored by the Executive Board—Joint Activities and include training and other material relating to the various features of joint

programs to which the parties have agreed or may agree.

As approved in advance by the Executive Board—Joint Activities, costs associated with the development, scheduling and production of such joint programs programming and broadcasts, including professional services and transmission fees, will be covered by the appropriate joint funds. The UAW-GM Center for Human Resources will examine the need for staff support for this activity.

Nothing in this letter is intended to imply or create any limitations on the right of either party to communicate its own messages through its own media.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Joint Activities]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Union expressed concern regarding changes which affect the movement of work after a Paragraph (96) has been agreed upon and/or employees transferred. Also, the Union indicated a need for improved advance notification of pending transfers of work.

The Corporation informed the Union of its interest in providing advance information as soon as is practicable to do so regarding the transfer of operations. Also, once a Paragraph (96) has been agreed upon, barring any unforeseen circumstances, the work will move.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed at length the role and responsibility of the Local Joint Health and Safety Committee. The parties agreed that the role and responsibility of the Local Committee is primarily to serve as a technical resource and consulting team to the local Management and Union in matters regarding employee health and safety. In the performance of its role, the Local Joint Health and Safety Committee should coordinate joint activities directly related to employee health and safety and prevention of occupational injuries and illnesses. Among these activities are job related health and safety training, hazard communication, industrial hygiene technician sampling and ergonomics. Hourly employees assigned to perform joint health and safety activities shall be appointed by the Union.

In recognition of the desirability of maintaining the professional standards established for employees assigned to health and safety activities, the National Joint Committee will establish a system to encourage and recognize the professional development of joint local health and safety representatives and other

employees assigned to such activities. Approved training from outside sources will be funded by the National Joint Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Doc. 7,Sec.III,Sec.VI; 46]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the parties discussed the need for basic educational opportunities and training through existing in-plant or other dedicated, accessible and adequate facilities approved by the Local Joint Activities Committee. The parties agreed to continue their emphasis on basic educational opportunities and training while ensuring that employees and their spouses and retirees continue to have access to education and training opportunities for basic skills in areas such as math, reading, problem solving or language. The parties are expressly interested in assisting employees and their spouses and retirees who want to master new skills and achieve personal goals in basic education. In this regard, it was agreed that the National Joint Skill Development and Training Committee will continue to identify basic education curriculum in six main areas of educational counseling and learning opportunities:

- Adult Basic Education - provides an emphasis on skill building in the areas of reading, writing, language and mathematics.
- General Education Development - provides the opportunity to prepare for a high school equivalency exam for those who have not earned a high school diploma.
- Educational Enrichment Services - provides the opportunity to sharpen skills in areas such as

math, writing, reading comprehension, communication, problem solving and science, which can assist participants in technical training, college courses, or other personal goals.

- High School Completion - provides the necessary instruction in subject areas required to complete a high school diploma.
- English as a Second Language - provides instruction in speaking and writing the English language for participants whose native tongue is not English.
- Academic Advising Services - provides individualized academic advising services to participants to assist them in identifying and pursuing basic education goals through project educational staffs.

The basic education curriculum and any enhancements would continue to be developed through the coordinated efforts of Local Joint Activities Committees (LJAC) along with local education providers and approved by the UAW-GM Center for Human Resources.

It is essential that training and educational services offered in Skill Centers will be jointly monitored, analyzed, and extensively researched to better meet the needs of the workforce and keep the curriculum current.

In this process, the parties agreed to develop changes or enhancements in the curriculum to meet the needs of the workforce. Additionally, the parties agreed to insure that employees and their spouses and retirees have access to education and training opportunities offered in Skill Centers to meet the challenges of the information age.

In developing these changes the parties will solicit input from plants, Groups/Divisions, Local Educational Agencies, and other sources external to UAW-GM, regarding what changes are deemed appropriate in the Skill Center curriculum and administration.

The program design may vary from one UAW/GM location to another, but generally will focus on the individuals, adapting to the different interests, abilities, and work schedules of the participants including:

- Individual Needs Assessments
- Individual Instructional Plan
- Individual and Small Group Instruction
- Computer-Aided and Computer-Managed Instruction
- Instruction in Diverse Subject Area, and
- Participant Anonymity

Hardware, software and training materials used in the above mentioned computer-aided and computer-managed instruction are subject to approval by the UAW-GM Center for Human Resources.

These Skill Centers create an environment which allows education opportunities to be more accessible within a positive environment. Project services would be integrated and coordinated with other personal development, educational and training activities in each location. Project staff will be made available at times that are convenient for workers including before and after shifts, breaks and lunchtimes.

The above educational pursuits will be supported by a combination of national, local and plant training funds and will be jointly administered by the UAW-GM Center for Human Resources and the Local Joint Activities Committee. In addition, these facilities may be used for other appropriate training approved by the Local Joint Activities Committee.

If a plant constituting a local bargaining unit is scheduled to be idled or closed, the local parties will notify the UAW-GM Center for Human Resources of their proposed plan to alter Skill Center services for participants enrolled in the plant's Skill Center.

The notice will include a projected date for alternative arrangements, the number of participants enrolled and a brief description of the alternative arrangements. Thereafter, the national parties will discuss the matter and resolve any issues by mutual agreement of the Corporation and the International Union.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Joint Activities]

Doc. No. 107
TRAINING OF INDIVIDUALS WITH DISABILITIES

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, the parties discussed the need to provide training to all employees, including individuals with disabilities as required by appropriate state and federal law.

Recognizing that providing training to individuals with disabilities may require specialized instruction, the Corporation agrees to provide appropriate resources that allow individuals with disabilities to receive necessary training opportunities afforded other employees.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

{See Par. (6a)}
{See Doc. 32}

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the current negotiations, the parties reaffirmed their commitment to Work/Family Programs to establish and support services to help workers balance their work and personal responsibilities. In support of this commitment, the parties agreed to continue the existing UAW-GM Child Development Center and pursue a childcare initiative aimed at providing onsite or near-site quality childcare in one or more jointly selected GM communities.

Any future childcare initiatives should support the unmet needs of parents consistent with goals and objectives of the joint parties, and based on knowledge gained from joint involvement in existing consortium initiatives.

An employee funded Dependent Care Spending Account administered by the General Motors Employee Benefits Activity will be continued. Costs associated with the administration of this spending account will be appropriately charged to National Joint Funds.

The UAW-GM share of existing consortiums and new onsite or near-site childcare initiatives will be funded by National Joint Training Funds. The UAW-GM share of on-going operations costs will be funded on a cost sharing basis using a combination of fees assessed to employees utilizing the service and National Joint Training Funds.

Management and Union representatives from those companies participating in the consortiums and other initiatives or in the case of a UAW-GM stand alone facility, the parties, will jointly develop plans for the center(s) including details regarding such items as follows:

- Proposed Sites
- Bid Procedure
- Size
- Capacity
- Quality
- Costs
- Services
- Operating Hours
- Capital Requirements
- Eligibility Rules
- Enrollment Policies
- Anticipated Fee Schedules
- Other Relevant Data

The plans will be submitted to the Executive Board-Joint Activities for review and final approval. Additionally, the Board will review and evaluate the operating status of the center(s), consortium activities, childcare initiatives, the Child Care and Elder Care Resource and Referral Services, and Dependent Care Spending Account on a bi-annual basis to determine the viability and the advisability of continued operation, the desirability of expanding the concept, and other innovative activities that may meet the needs of our employees in a mutually satisfactory manner.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Joint Activities]
[See Doc. 37]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will confirm our understanding that the parties have agreed to continue their support of the Pre-Retirement Program "Design Your Successful Tomorrow" for UAW-represented GM employees and their spouses. In addition, the parties have agreed to continue to support the Post Retirement Program implemented during the term of the 1990 Agreement. In this regard the parties have discussed at length the Union's concerns relative to the availability and participation of both Management and Union personnel involved in the implementation of the Programs. The parties renewed their commitment to continue their support for the implementation of and the participation in these programs. Following these negotiations, joint efforts will be required to explore and analyze the various options available in order to address these concerns. Any problems coordinating the scheduling/facilitating of pre-retirement sessions should be raised with the Pre/Post-Retirement Program Administrators at the UAW-GM Center for Human Resources.

The programs will be supported by national training funds and will be jointly administered under the direction of the UAW-GM Center for Human Resources.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Joint Activities]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of national negotiations, the parties discussed the type and extent of services available to UAW-GM employees who face indefinite layoffs.

In cases involving employees facing indefinite layoffs where recall or future GM placement is unlikely, the parties agreed that efforts will include pre-layoff meetings not to exceed 24 hours in which topics developed by the Center for Human Resources such as the following, will be covered during working hours on or before the employees' last day worked:

- State of the Business, Local Perspective
- Contractual Rights and Responsibilities
- Benefits (services, entitlements and continuation)
- Unemployment Compensation
- Money Management
- Community Services
- Employee Assistance Program
- Tuition Assistance
- Training and Outplacement
- Relocation and Placement Assistance within GM
- Veterans Services
- Legal Services

The NAO Labor Relations activity will notify the Center for Human Resources as soon as practicable but no later than 60 days prior to such layoffs.

DISLOCATED WORKERS (PRE-POST LAYOFF SERVICES AND ORIENTATION)

Post layoff services will continue to be made available to laid off employees through Area Centers for Human Resources or other local agencies designated by the Center for Human Resources.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Joint Activities]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, discussions occurred regarding the eligibility for overtime of employees working on temporary assignments in accordance with Appendix D-2 of the National Agreement. The parties agreed that such employees are entitled to consideration for overtime scheduling as if they were entering the plant as a permanent employee.

The parties also agreed that eligibility for overtime consideration will be in accordance with the local administrative rules of the plant to which they are temporarily assigned and that the local parties cannot enter into any local agreement which would supersede this letter and/or the provisions of the National Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (71)]
[See Memo-Overtime]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these National Negotiations, the parties discussed at length the necessity for the Corporation to become competitive in all aspects of the business. Among the issues discussed were the existing skilled trades classification structure, work rules, and past practices.

With regard to the skilled trades classification structure, the Union expressed concern over apprenticeable skilled trades classifications being consolidated. In this regard, the Corporation observed that it will not dictate consolidation of apprenticeable skilled trades classifications to its plants. The Corporation advised, however, that they intend to rely on the apprenticeable skilled trades classifications as the basis for our skilled classification structure moving forward. Competitive advantages of a review of existing skilled trades classifications at any General Motors facility must be weighed and determined by the local parties in view of all attendant circumstances at that location, consistent with the intent of the National Parties. Appropriate training plans necessary to accomplish any consolidations must be submitted in a timely manner for approval by the GM-UAW Skilled Trades and Apprentice Committee. Any exceptions to the above must be approved by the GM-UAW Skilled Trades and Apprentice Committee.

With regard to work rules and past practice, the Corporation stated that many plants feel hampered in

their efforts to enhance competitiveness in today's environment by historically restrictive practices which originated at a time when competition was less threatening. Given recent improvements in the area of job security, the need for such stringent work rules and delineation of job responsibilities has been reduced.

Therefore, the National parties concur that local Management and local Unions will be strongly encouraged to review existing work rules and practices, especially in the area of Lines of Demarcation, to insure that only those necessary to protect the safety of employees, the integrity of the skilled trades, and the efficiency of operation in today's competitive environment are carried forward. Incidental, overlapping, and other minor access type work is strongly encouraged, and should be discussed and handled locally consistent with sound business judgment. To accomplish this task, the local parties will establish a Lines of Demarcation Committee, to meet on a regular basis, to address the issues outlined in this paragraph.

If either of the local parties feels that abuses of the spirit and intent of this document exist, it will request the issue be reviewed via plant entry by appropriate representatives of the GM Department of the International Union, UAW and the GM Labor Relations Staff.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (182)]
[See CSA #12]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1990 Negotiations, the Union expressed concerns relative to the assignment of work at certain locations by Electronic Data Systems (EDS), which the Union felt should have been assigned to the respective UAW bargaining unit. In this regard, the Corporation agreed to reissue the B. P. Crane, Jr. letter dated February 20, 1986, the text of which follows:

"General Motors and Electronic Data Systems entered into a contractual agreement which defines the business relationship between the two entities. Under the terms of this agreement, EDS has assumed world wide responsibility for the management, operation, provision and maintenance of computer and information processing services, communication services and health care administration activities for GM. EDS remains and continues to be operated as an independent subsidiary of GM. It is also the intent of the parties that the GM User Organization continues to be the customer of EDS.

"As such, it is of particular importance to bear in mind that EDS, under the terms of this business agreement, remains separate and distinct. It becomes, in part, our responsibility to offer assistance in the successful operation of this relationship. Specifically, this relates to our acknowledging the fact that EDS is not a party to our National and Local agreements with the unions

representing General Motors employees. EDS does recognize the historical nature of GM job functions and agrees that those job functions associated with manufacturing processes, which have been historically performed by GM hourly personnel, should continue to be performed by bargaining unit employees.

"We can relate this to a case in point - the installation and maintenance of the new voice communication system. The role that EDS plays in this situation is the traditional role of the local telephone company. Structural preparation remains the responsibility of General Motors and is most often accomplished utilizing bargaining unit employees. The other job functions associated with this voice communication system, in most cases, are not functions historically performed by our bargaining unit and are, therefore, the responsibility of EDS.

"Also, our understanding concerning bargaining unit work does not limit the fulfillment of warranty obligations by vendors. Such warranty obligations and/or other work performed by employees of an outside contractor, including EDS employees will be handled pursuant to the provisions of the collective bargaining agreements pertaining to outside contracting, where applicable.

"In summary, we have had several meetings with EDS to discuss our mutual concerns. We have arrived at an understanding assuring the continuation of historical practices as they relate to General Motors job functions associated with manufacturing processes. We feel that this position is fair and will best accomplish our joint goals and recognizes the traditional role of bargaining unit employees.

"As always, I appreciate your comments and suggestions. Please refer any questions to your contact person on the Labor Relations Staff."

EDS WORK ASSIGNMENTS

During the 1993 Negotiations, the Union raised several instances wherein they felt that EDS misapplied the concepts outlined in the above letter, oftentimes when there was a change in local Account Managers, and specifically with regard to the applicable notification requirements outlined in the subcontracting provisions of the National Agreement. The Corporation observed that much of the work at issue is non-core in nature, but reiterated its intent to continue the concepts outlined in the B. P. Crane, Jr. letter.

Furthermore, necessary arrangements will be made to review these concepts and contractual commitments with all EDS Account Managers.

During the 1996 Negotiations, the parties discussed the ongoing relationship between GM and EDS. The Corporation confirmed that EDS is no longer an independent subsidiary of GM.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (183)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed and noted that in many instances the early indicators of an employee suffering from medical and personal problems such as those associated with substance abuse, for example, are manifested in disciplinary situations involving violations of the Shop Rules. In those initial stages it is generally the first line supervisor and the district committeeperson who are first exposed to the potential of such underlying causes behind employee behavioral problems.

Although the parties acknowledge Management's responsibility to maintain discipline and to invoke disciplinary measures where violations of the Shop Rules occur, it is also recognized that local management and union representatives at all levels are necessarily charged with the responsibility to exercise their best efforts toward the objective of early identification of employees whose behavioral problems may be linked to medical and personal causes and to strongly encourage them to seek assistance. In many cases this could be accomplished through referral to the local Work/Family Program Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Doc .39]

Doc. No. 115
POW/MIA FLAGS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: POW/MIA Flags

During the current negotiations, the Union requested that General Motors facilities fly POW/MIA flags. As discussed, flying of flags at General Motors locations is a matter of Corporate policy.

In view of the special sensitivity associated with Vietnam era MIA and POW issues, the Corporation indicated a willingness to consider exceptions to its normal policy on flags when so requested by a Local Union. These exceptions may include: individual special requests, special days recognized by the U. S. government to honor or remember POWs or MIAs, or other appropriate holidays such as Memorial Day and Veterans Day.

It is understood that this matter is one of Corporate policy and if revisions to the policy are made, the Union will be notified.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 116
OVERTIME

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1990 negotiations the parties discussed both the Union's and Management's concerns about the scheduling of overtime work in General Motors.

On the one hand Management recognized the legitimacy of the Union's concern that production not be scheduled on a sustained basis on overtime rather than recalling laid off employees or hiring new employees. On the other hand, the Union recognized that the scheduling of overtime serves an essential purpose in many situations in order to meet temporary or seasonal increases in sales, at new model start-up, and to make up for production lost due to factors beyond the parties' control, such as interruptions in the supply of parts. Also the parties recognize the need for overtime on vital tooling and maintenance projects which often must be accomplished quickly on tight time schedules in order to avoid interruptions or delays in production and layoffs of production employees.

As a result of these discussions, the parties agreed to establish a procedure for regularly reviewing overtime work schedules. This review will be accomplished between representatives of General Motors Corporation and the International Union, UAW and will be designed to focus on those plants and facilities that establish a pattern of high overtime scheduling on a sustained basis. The review is intended to assure that overtime work is not scheduled at a plant on an ongoing basis in cases where there are practical and economical

alternatives. The alternatives to overtime considered by the parties may include employment increases, innovative shift arrangements, or improvements or additions to the plant's equipment which could eliminate a bottleneck; or the parties may conclude that the reasons for the overtime are temporary or unavoidable and that there are no practical or economical alternatives.

The purpose of this review procedure is to assure a timely and thorough review of overtime work schedules and provide for a balanced consideration of the interests of both parties.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Memo-Overtime]
[See Doc. 83]
[See CSA #11]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker

This is to confirm our understanding that the Pre-Retirement Leave Program set forth in Document No. 117 in the National Agreement and as implemented in the March 25, 1991 implementation document, shall be renewed for the duration of the 2003 Collective Bargaining Agreement. The renewal shall be on the same terms and conditions except that eligibility shall be limited to employees who would be eligible for a regular early retirement based on attaining 30 years of service within twenty-four (24) months of participating in a pre-retirement leave. Upon attainment of 30 years of service, the participating employee will retire. The National JOBS Committee is authorized to make jointly approved modifications to the program, as necessary.

Employees on pre-retirement leaves are considered to be Protected employees under the JOBS Program and will receive the same insurance benefits.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See App. K,Att.A]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties agreed that the principle of replacing attritions of eligible employees would be continued in this Agreement as the general rule. In addition, it was recognized that exceptions to this concept are appropriate in unusual situations. For example, if a location has a large number of Protected employees who cannot be effectively utilized, yet more Protected employees would be required because of the replacement concept, it may be appropriate not to do so.

Accordingly, this will confirm our understanding that the National JOBS Committee is specifically empowered to investigate unique situations and evaluate requests for full attritional credit at a particular location, and implement mutually satisfactory adjustments to Appendix K, Section II (F).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See App. K, Section II(F)]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1999 negotiations, the Union requested that all General Motors facilities, where the UAW represents employees, be permitted to fly the registered UAW flag. As discussed, flying of flags at General Motors is a matter of corporate policy.

In view of the historic ties between the UAW and General Motors Corporation, the Corporation investigated its policy on flags to determine the appropriate modifications required to meet the Union's request. The parties also recognized the need for a common and consistent application of the policy once such modifications were determined and finalized.

During the term of the 1999 GM-UAW National Agreement, policy modifications were finalized. All General Motors facilities, where the UAW represents employees were to make the necessary arrangements to fly the registered UAW flag consistent with such policy. Appropriate UAW flags were to be provided to the facility Manager by the Local Union President or the bargaining unit Chairperson. During these negotiations, Management agreed to continue this practice.

FLYING OF UAW FLAG AT GM FACILITIES

Further, during the term of the 1999 GM-UAW National Agreement, the Co-Directors of the UAW-GM Leadership Quality Council Support Staff developed and reviewed a plan, at a UAW-GM Leadership Quality Council Meeting. The plan was approved by the Council wherein it was agreed to:

- Affix Quality Network logo decals to existing General Motors Corporation owned tractor trailers used to transport product produced by UAW-General Motors-represented employees and a commitment to identify new tractor trailers in a like manner,
- Affix the UAW registered logo to the doors of General Motors Corporation owned tractors used to transport product produced by UAW-General Motors-represented employees, and
- Develop a process and guidelines for local union presidents and plant managers to identify, through signage, the UAW local(s) representing workers at their location.

During these negotiations, it was agreed to continue the above noted practices and to re-issue the document titled, "Commitments Associated with Document 119" for distribution to the appropriate Management and Union leadership.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

COORDINATION OF SOURCING EVALUATIONS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Coordination of Sourcing Evaluations

During these negotiations, the National Parties had extensive discussions regarding the implementation of Appendix L. In this regard, it was recognized that effective implementation is dependent in large part on the efforts of the local parties.

Both parties to this agreement acknowledge and commit that these matters should be viewed as high priority at the local level. Access to confidential information such as quote packages and pertinent financial data is essential. Therefore, in order to facilitate the sourcing evaluation process and the effective preparation of a quote response, the Plant Personnel Director will assign coordination responsibility and authority to a designated local management representative. Such responsibilities may include identification of the appropriate management resources to respond to Union inquires, on a timely basis, and the scheduling of meetings, as required.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Union raised a concern regarding management's active participation in the implementation of the ADAPT Program (Accommodating DisAbled People in Transition - formerly Job Placement) at all UAW-GM locations. The parties agree this process was designed to enable employees with disabilities to be retained at work or returned to work from a sick leave or worker's compensation leave and be placed on jobs within their physical restrictions, while complying with applicable provisions of the local and National Agreements. The parties agree that documentation and confidentiality are cornerstones for the successful implementation of the ADAPT Program at the local level. Information contained in the ADAPT file will be limited to the ADAPT Team (UAW Document No. 46 and Management ADAPT Representatives), unless released by signed authorization of the employee, or information is relevant to the Union's or Corporation's defense against claims, charges, grievances, or litigation.

Furthermore, it is understood that although the ADAPT Program is a voluntary Program, each UAW represented employee with a restriction written by the plant medical department shall be sent to the local ADAPT Representatives for an ADAPT interview. At the conclusion of the ADAPT interview, the employee may waive the right to participate in the ADAPT Program. Each employee that participates in the Program will remain on the active payroll, until such time that the

employee has been processed through the Program and classified on "No Job Available Within Restriction" (NJAWR) signed jointly by the local ADAPT Representatives.

The process will be administered at the plant level in accordance with existing National Guidelines.

The parties acknowledged that the proper implementation of the ADAPT Program has successfully provided the mechanism for thousands of UAW-GM employees with restrictions or disabilities an opportunity to be either retained at work or return to work on meaningful jobs. It was agreed that emphasis must be placed on Step 3 (Conduct Job Search) of the 6 Step ADAPT process focusing on job modifications. Upon findings that reasonable accommodation cannot be made to the employee's normal job (pursuant with the Local Seniority Agreement) or modification to that job will cause an undue hardship to the Corporation, local Management will provide in writing a statement of unreasonable accommodation or a statement of undue hardship for the employee's ADAPT file. It was reaffirmed that members of the local ADAPT Committee (consisting of Key 4 and ADAPT Team), both management and union, are responsible for the successful implementation of the Program at their location. This is accomplished by taking an active role and by assigning and maintaining the necessary resources to administer the Program to meet the requirements of the local and National Agreements. Therefore, it is the responsibility of the Key 4 at each UAW-GM location to ensure that each plant establish, as a requirement of the ADAPT Program, a Disability Team consisting of the following:

- UAW Document No. 46 ADAPT Representative
- Management ADAPT Representative (not to function as the Medical Representative)
- Medical Representative (not to function as the Management ADAPT Representative)

In addition, other resources identified in the current UAW-GM ADAPT Training manuals and newly developed implementation guide will be allocated to the local ADAPT Representatives.

The parties agreed to develop and implement a computerized measurement system that will be inclusive of quarterly reports, cost analysis summaries, and field surveys. These reporting systems will provide the National Parties with the necessary information to ensure a common process is being used at all UAW-GM locations. The parties will also develop and implement a formal audit procedure. Details of the Audit Procedure will be clarified in the newly developed implementation guide. All UAW-GM facilities will be audited in conjunction with the Appendix A, K, and/or L audits or other pre-existing audit processes. Facilities found to be deficient by the UAW-GM Center for Human Resources will be notified in writing of deficiencies and given a schedule date for compliance.

In addition, the parties agreed a further emphasis must be placed on making employees, both hourly and salary, aware of the ADAPT Program and the opportunities it provides for accommodating people with disabilities. This will be accomplished through annual roll-outs by the local ADAPT Team to the Key 4, the ADAPT Working Committee, and all employees with documentation as outlined in the ADAPT Training manual and implementation guide. During the life of this Agreement a mailing of the ADAPT brochure will be sent to all UAW represented employees' homes and provided to new employees during New Hire Orientation. To further ensure an employee's awareness of the Program, the plant will also commit to providing awareness information through in-plant communications via videos, newsletters, etc.

The National Parties will monitor the Program and provide guidance and training. This will be accomplished by the development of a new training curriculum for local ADAPT Representatives and by recurrent training, at the discretion of the National

Parties. In addition, the Disability Team will participate in a mandatory training conference during this Agreement.

Problems not resolved by the Key 4, at the plant level, will be communicated to the National Parties in writing for resolution using the process outlined in the current ADAPT Training manual and implementation guide.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

[See Par. (6a),(46),(63),(72)]
[See App. A]

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the issue of employee exposure to metal removal fluids (MRFs) in production machining processes. It was recognized that General Motors continues to make significant progress in reducing employee exposure levels and maintains a comprehensive strategy to continue these improvements.

General Motors will continue to specify that all new equipment be designed, built, and installed to limit employee personal exposure levels to MRFs equal to or less than 0.5mg/m3 on a time weighted average. Also, the Joint Parties have developed a procedure to verify that this level has been attained at initial production start-up, and efforts have been made to maintain this level after production start-up. General Motors further commits to maintain a level of 1.0mg/m3 or less on a time weighted average for personal exposures to MRFs on existing machining equipment. In the event that personal exposure levels are confirmed to be over 1.0mg/m3 on a time weighted average, General Motors will establish a priority to reduce these exposures. In doing so, the focus will be to utilize the most appropriate controls including such concepts as personal work enclosures.

In addition, General Motors reaffirms its strategy to control employee exposures to MRFs through the use of fundamental processing controls, engineering controls, exposure assessment, including annual plant aerosol

surveying, appropriate medical surveillance for exposed workers, and continuing efforts to control potential harmful agents within metal removal fluid systems. The strategy will also include the jointly reviewed GM Powertrain Division Fluid Management Guidelines and the GM Metal Removal Fluid Exposure Control Plan, as presented to the parties, that includes a common investigation protocol consisting of possible contributing factors such as inappropriate guards, enclosures, fluid management, ventilation systems, and re-circulating air filtration. Additionally, a Metal Removal Fluid Control Committee at appropriate GM facilities will be established. Divisions with facilities using MRFs will report on this strategy at the Plant and Divisional Safety Review Board Meetings and to the National Joint Committee, as requested.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

We have managed to find common ground on many of the issues involved in these negotiations. Nowhere has that been more evident than in our mutual treatment of issues involving education and training and other programs of joint interest to better our employees and enhance their job security by strengthening the competitive position of General Motors. Our deliberations in this area are in step with congressional and private sector initiatives toward a new era of cooperative labor relations.

In this regard, cooperative labor relations with respect to the joint arena can be accomplished only when activities are jointly approved, developed, implemented, monitored, and evaluated. Furthermore, decisions must be arrived at in a setting which is characterized by the parties working together in an atmosphere of trust; making mutual decisions at all levels of administration which respect the concerns and interests of the parties involved; sharing responsibility for the problem solving process; and sharing the rewards of common goals.

In these negotiations, we have provided funding for our joint programs which reflect this national policy of cooperative labor relations. We should continue to ensure that the projects, programs and events which are supported in whole or in part with these joint funds do in fact keep us communicating on all levels, consistent with this objective.

We agree these funds will continue to be used to help solve mutual problems which may not be collective bargaining problems. They will continue to be used to make General Motors and its employees more competitive in a global economy. In this regard, we jointly sponsor conferences, workshops, seminars and meetings to promote cooperative efforts on related subjects, and where appropriate, invite academic, professional, government, labor and industry representatives to attend and participate. In addition, we understand that while these funds are intended for education, training and development of UAW bargaining unit employees, there are situations where it will be natural for some salaried employees to receive the same training or participate in the same program. Such expenses for non-bargaining unit employees may be funded with joint funds provided the parties agree.

Further, the jointly sponsored projects, programs and activities are designed to promote public awareness of General Motors products (including the quality and reliability of such products), General Motors workforce and its role in producing high quality products, and the relationship between General Motors and the collective bargaining representatives for General Motors employees.

We also recognize that as representatives of organizations such as the UAW and General Motors, which are viewed by most as key to the vibrancy of many local economies and the national economy, we are expected to be responsible citizens and caring neighbors. Therefore, from time to time we have agreed to use these funds to assist the victims of disaster or the less fortunate in the communities where our employees live and work. We have also supported research projects or efforts by other training, educational or cultural institutions which will through education and exposure promote our goals of labor and management cooperation in the workplace.

We have pledged that these joint funds will continue to be used to enhance all our employees involvement in,

and appreciation for, decisions that affect their lives. We look to the UAW's continued cooperation in that regard in identifying and developing with us meaningful projects which will assist their members, and our employees, in reaching that objective.

The parties further agree that new programs and activities designed to enhance the welfare and job security of UAW-represented employees may be funded by the National Joint Skill Development and Training Committee, when authorized by the Executive Board-Joint Activities under the provisions of the Memorandum of Understanding Joint Activities contained in the Agreement between General Motors Corporation and the UAW.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During 1996 Negotiations, the parties discussed the posting of computer reports with complete social security numbers at Company locations. As soon as practical following these negotiations, a systems change will be implemented whereby posted reports generated via the GMTKS or VIP Systems reflect no more than the last five numbers of an employee's social security number. Locally generated reports, which are posted, will be modified in the same manner.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Compliance with the Family and Medical Leave Act of 1993

During these negotiations, the parties discussed the Family and Medical Leave Act (FMLA) of 1993. The Corporation assured the Union that it will comply with the provisions of the FMLA.

As part of its compliance, the Corporation has established a category of unpaid leave called "FMLA Leave." In some instances, FMLA Leaves will be concurrent with leaves of absence covered by the National Agreement. Accordingly, in those cases where the employee is eligible for leave under the National Agreement and the leave also qualifies under the FMLA, the Corporation intends to comply with the requirements of the FMLA as well as the separate provisions of the National Agreement regarding covered leaves of absence.

Pursuant to the Corporation's present plan for compliance with the FMLA, the Corporation's rights under the Act will be modified to:

- Provide that an employee on FMLA Leave will continue to accumulate seniority in the same manner as an employee on a Personal Leave of Absence;
- Permit but not require employees to substitute vacation and/or excused absence allowance for unpaid FMLA Leave;

- Provide that employees who are married to each other will be each entitled to a maximum of 12 weeks of qualifying leave under the Act;
- Provide that, when a third opinion is necessary under the medical certification and dispute resolution sections of the FMLA, the neutral provider will be selected jointly by the Corporation and the Union, with the consent of the employee, from a list, provided by the appropriate local or state professional medical association, of board-certified specialists in the field of medicine in which the point of controversy exists;
- Continue Corporation-paid Group Life, Accidental Death and Dismemberment, and Disability Insurance during all FMLA Leaves that are not also Medical Leaves as if such leaves were Personal Leaves of Absence.

In addition, the Corporation's plan for compliance would:

- Not automatically designate and apply absence time that is compensated under the Sickness and Accident Insurance provisions of the Life, Disability and Health Care Benefits Program against an eligible employee's FMLA entitlement;
- Use a calendar year as the 12-month period of the leave entitlement (for example: in 2000, an employee would be eligible for 12 weeks leave from January 1, through December 31, 2000);
- Require repayment of the cost of health care coverage provided during the leave from employees who fail to return from FMLA Leave to the extent permitted by law.

The Corporation may make changes in its compliance plans to reflect changes in regulations and/or subsequent court decisions and the gaining of additional administrative experience but without reducing leaves provided by the Collective Bargaining Agreement.

COMPLIANCE WITH FMLA

Problems related to the implementation of this letter may be discussed by representatives of the UAW, GM Department, and the Corporation's GM Labor Relations Staff.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will confirm our understanding that, the following procedure for correcting pay shortages due to Management error, of four (4.0) pay hours or more, will continue. It is further understood that all local agreements regarding this subject are rendered null and void.

- Upon employee request, Management will submit pay shortage information into the Payroll System.
- A check will be prepared with the employee's normal tax deductions.
- The check will be available to the employee at the plant by the end of the next workday (excluding weekends and holidays).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The parties to this agreement recognize the critical impact outsourcing proposals have on the parties' relationship at both the National and local level. In this regard, when potential outsourcing is under consideration, the local parties should have sufficient time to evaluate the proposal to insure that they have the opportunity to develop a plan to retain the work. During the discussions leading to the current Agreement, the sourcing process was modified to provide a more meaningful role for the Union in sourcing decisions through involvement in the request for quotation process. Under this process, which provides for earlier involvement, the Union will generally have as much time to evaluate methods to retain the work as the 150 day notification process provided under the 1993 National Agreement. In those instances where it is anticipated that less than 150 days will be required to complete the sourcing process, the Chairperson of the Shop Committee will be so advised.

However, in such instances where the Union believes that insufficient time has been provided for input into a pending sourcing decision, the matter should be referred to the National Sourcing Committee for further discussion.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed allowing retired UAW-represented General Motors employees to use in-plant fitness centers, where they exist. Retirees will be eligible to utilize in-plant fitness centers from the location from which they retired on a space-available basis, at non-peak usage periods, when the local fitness center is in operation. The schedule of usage will be determined by the local joint parties based on factors such as location of the fitness center, present hours of operation, present plant employee usage, and other criteria as determined by the local joint parties.

Retirees will be required to complete the proper registration process (physician consent form, liability waiver, etc.) that active employees are required to complete in line with UAW-GM fitness center guidelines.

It is also understood that nothing contained herein or in existing or future statements concerning employee fitness centers or steps taken to implement its programs and related services shall be construed or interpreted as constituting a waiver of either the Corporation's or the Union's rights or responsibilities under the National Agreement, nor are the centers intended in any way to create for any employee or retiree an enforceable obligation against the Corporation, the Union, or their representatives.

In addition, it is the parties' intent that any program or related services provided in or through employee fitness centers are not to be construed as benefits or insurance programs.

Finally, the Grievance Procedure set forth in the National Agreement shall not apply to, or have jurisdiction over, any matters related to the employee fitness centers.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will confirm the understanding reached during the present negotiations that a Retiree Tuition Assistance Plan (including personal enhancement courses approved by recognized accreditation agencies and those approved by government education or training programs) for retired UAW-represented GM employees shall continue to be funded under the Tuition Assistance Program. Retirees would be eligible to take classes approved on-site at the plant or local union hall at the location from which they retired. The courses offered to retirees must be those that are available to the active workforce.

The program provides up to $1,500 per calendar year per retiree for the prepayment of tuition and compulsory fees for approved courses leading to credits or degrees only offered on-site by approved educational institutions, or courses included in a special range of approved competency based courses, including non-credit and non-degree courses or activities.

The Plan will be administered by the UAW-GM Center for Human Resources. The Center has the authority and discretion to interpret the terms of the Plan including, but not limited to, school and course approval, location of courses and program guidelines.

In addition, the grievance procedure set forth in the GM-UAW National Agreement has no application to or jurisdiction over any matter related to this joint program.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the importance of continuing education for school-aged dependent children of UAW-represented employees. In this regard, the International Union and the Corporation have agreed to continue the UAW-GM Scholarship Program for Dependent Children.

The joint committee established by the Executive Board - Joint Activities will continue to direct the delivery of the program based on the following parameters:

- Eligibility: Dependent children of active, retired, or deceased UAW-represented employees who are pursuing post-secondary education or training at an institution accredited by a governmental or nationally recognized agency are eligible to apply for continuing education support. For purposes of this program, the definition of dependent children will be the same as defined in the UAW-GM Legal Services Plan.
- Amount of Support: An annual voucher of up to a maximum of $1,500 will be distributed directly to the recipient's educational institution for tuition and/or compulsory fees.

- Funding: Funding for this program, including administrative costs, will be provided through Joint National Funds. Total annual funding and expenditures for this program will be determined by the Executive Board - Joint Activities.
- Administrative procedures: The Program will be jointly administered by the UAW-GM Center for Human Resources.
- Payments under the UAW-GM Scholarship Program for Dependent Children will be subject to applicable federal, state, and local income tax provisions.

The Grievance procedure set forth in the current GM-UAW National Agreement has no application to, or jurisdiction over, any matter related to this program.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 131
SUPPLIER CORPORATE CITIZENSHIP

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Supplier Corporate Citizenship

During these negotiations, the UAW stated its interest in having the Corporation continue to recognize the importance of using suppliers which are good corporate citizens and which can be relied upon for quality products and reliable delivery. The UAW further pointed out that the Corporation's selection of and relationship with suppliers have a significant bearing on its relationship with the Union. In this regard, the Union stressed repeatedly the importance of the Corporation's use of high quality, reliable suppliers which maintain good, fair and equitable relations with their employees, and which satisfy the Corporation's need for a continuous, reliable, and cost-effective supply of quality parts and materials.

General Motors fully understands the Union's concerns in these matters, because quality products, uninterrupted delivery and good corporate citizenship — by the Corporation and its suppliers — contribute significantly to the Corporation's success in the marketplace, and all of these factors have a direct bearing on the job and income security of UAW members. General Motors assured the Union that it would not take retaliatory action, such as canceling or refusing to renew contracts with suppliers, based on a decision of that supplier's employees to join a labor union. The Corporation further stated that all such decisions will continue to be based on quality, service, technology and cost. The Corporation similarly recognizes the value of suppliers that have successful

relations with their employees and employees' representatives.

General Motors agrees that its relationship with the Union is of paramount importance to the Corporation's long-term success. The Corporation has told its suppliers and the business community in the past of the positive aspects of its relationship with the UAW and will continue to do so in the future. General Motors, therefore, has no interest in embarking on a purchasing strategy that would detract from that relationship.

Correspondingly, the Union has, from time to time, expressed to the Corporation its concern about certain aspects of the Corporation's relationship with particular suppliers in the area of quality, continuity of supply, and overall performance as a supplier including the maintenance of good relations by the supplier with its employees. The Union recognizes that the Corporation has expressed its views and made suggestions to its suppliers as a result of the Union's concerns, all within the bounds of applicable legal principles.

The parties recognize that instances in which these matters arise are inherently dependent upon the particular facts that are present in each situation and plan to continue to deal with these matters on a case-by-case basis as they have in the past, and in compliance with applicable laws.

In particular, the Corporation will continue to urge its suppliers to treat their employees in a good, fair and equitable manner to provide them wages and benefits competitive within their industry, to provide a safe workplace and to avoid conduct which violates national or state labor and employment laws. In addition, the Corporation will, in a manner which is in compliance with applicable laws, notify suppliers of the importance the Corporation places on harmonious relationships between suppliers, their employees and any union that may represent them.

The Corporation will send or transmit to each of its current suppliers a letter, in the form attached hereto

(the "Letter"), within 60 days after the effective date of the National Agreement; and, upon request of the Union, the Corporation will re-send the attached letter within 14 days to any such supplier who is awarded a contract with the Corporation. In addition, the Corporation will transmit the attached letter as a part of each Request for Quotation extended to domestic suppliers.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Attachment

Form of Letter to be Sent to Suppliers

This letter will describe some aspects of General Motors' policy on supplier selection.

The Corporation's decision to select or remove a particular supplier is based on numerous criteria, applied in conformance with legal requirements. General Motors Corporation recognizes that it is in the mutual interests of employers and their employees for the employer to fully respect the right of the employees to representation by a union. It is, however, definitely not General Motors' policy or practice to remove a product from a supplier if that supplier's employees have chosen to join the UAW.

As you know, General Motors has a positive and constructive relationship with the UAW, and we encourage our suppliers to strive for similarly constructive relationships with their employees or representatives of their employees. We respect the UAW and the UAW respects us.

General Motors also notes that many of our supplier facilities have recognized the UAW based on a showing of majority support among employees by means of a "card check" certified by a neutral third party. General Motors fully approves of decisions by our suppliers to use such peaceful means of determining employee sentiment.

Should you have any questions with respect to this matter, please call.

Very truly yours,

(Vice President for Purchasing)

cc: Richard Shoemaker, UAW

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the need for joint programs to be made available to employees who are in transition centers as a result of a plant closing or a reduction in the workforce where recall or future GM placement is unlikely. Specifically, the discussions included programs as follows: Basic Skill Enhancement, College/Vocational Skill Enhancement, Financial Planning, Pre/Post-Retirement, Employability Skills and Layoff Services.

It was agreed that where a transition center(s) is jointly established, the Local Joint Activities Committee with the assistance of the UAW-GM Center for Human Resources will develop a plan for the implementation of joint programs. When developing the plan, the UAW-GM Center for Human Resources will seek input from the respective Group/Division Labor Relations Director and UAW-GM Department Servicing Representative. Thereafter, a transition team will be formed to implement the plan.

Upon approval of the plan, the transition team will organize and administer the joint programs through the Transition Center. The transition team will be trained by the UAW-GM Center for Human Resources and/or its designated representatives.

Costs for these programs will be provided through government funding, if available, and/or Joint Funds, where appropriate.

The need for these joint programs at transition centers will be reviewed by the UAW-GM Center for Human Resources on an on-going basis.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: UAW-GM Collective Bargaining Agreement Training Program

During these negotiations, the parties discussed training of representatives responsible for administration of the Collective Bargaining Agreement (Agreement) and related understandings. Both parties recognize the benefits that can be achieved when Corporation and Union representatives are knowledgeable concerning agreements which affect their roles and responsibilities.

Following ratification of this Agreement, the UAW-GM Center for Human Resources will coordinate, with the Corporation's Labor Relations Staff and appropriate representatives of the UAW GM Department, the development of a training program which will address the Agreement and related understandings. A training session will be piloted as soon as practical following program development. Candidates for participation in the training could include Plant/Division/Operations managers and supervisors whose responsibilities include Agreement administration, elected and appointed Union representatives, and Human Resources personnel. Participants in the training program will be designated by the Corporation's Labor Relations Staff and the UAW GM Department.

Funding for this training program, including development costs, travel, lodging and wages of

participants, shall come from the existing Joint Training funds. The Grievance Procedure has no application to, or jurisdiction over, any matter relating to this training program.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 134
WORKING ON A HOLIDAY/VACATION ENTITLEMENT CONVERSION OPTION

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Working on a Holiday/Vacation Entitlement Conversion Option

During the negotiations, the parties agreed that employees who work on a designated holiday, and are otherwise eligible for holiday pay, may request that eight (8) hours be credited to their Vacation Entitlement Allowance, in lieu of receiving holiday pay.

Eligible employees who work on any designated Christmas Period Holiday, may request that eight (8) hours for each day worked be credited to their Vacation Entitlement Allowance, in lieu of receiving holiday pay. Additional time off resulting from the Christmas Holiday Period may be utilized, per local plant practice, at any time during the following year prior to the next Christmas Holiday Period.

To provide sufficient time for administration, the employees must submit their request in writing no later than the Friday of the week in which the holiday occurs.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 135
PLANT SENIORITY/VACATION ENTITLEMENT ELIGIBILITY

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed the situation that may occur when an employee, for reasons of discharge or contractual release, does not have plant seniority at the end of the vacation entitlement eligibility year.

In some circumstances:

- An employee may maintain GM seniority at another location within the Corporation or,
- A discharged employee's seniority and/or vacation entitlement may be impacted by the settlement of an associated grievance.

The parties agreed that if an employee maintains seniority at any GM location, or if their seniority and/or lost wages are reinstated by a grievance settlement, the employee will be eligible for all vacation entitlement earned during the affected period. Plant Management will notify the NAO Compensation Activity of any relevant situations.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed situations in which employees are laid off prior to the Independence Week Shutdown period and thereby, become ineligible for the four (4) days of the Independence Week Shutdown pay.

As a result of these discussions, the Corporation agreed that seniority employees who work in the fourth work week prior to the Independence Week Shutdown period, and who are laid off either temporarily or permanently during that week, or during the first, second, or third work week prior to the Independence Week Shutdown period, shall be considered as meeting the requirements of Par. 202d(2) of the National Agreement. Therefore, these employees will, if otherwise eligible, receive the four (4) days of Independence Week Shutdown pay.

This letter does not change or modify the Holiday Pay provisions of the National Agreement.

Any wages or benefits received from any other source during the Independence Week Shutdown period, including Unemployment Compensation or other state or federal payments related to unemployment, will create a GM overpayment and shall be recovered by the Corporation from subsequent wages or benefits

owed the employee. Recovery of an overpayment resulting from the payment of Unemployment Compensation or the receipt of a waiting week credit will be effected in a manner consistent with Par. (213a).

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 137
INDIVIDUAL WORK SCHEDULES INDEPENDENCE WEEK/VACATION SHUTDOWN

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the parties discussed situations where employees were not advised of their individual work schedules for the Independence Week and Vacation Shutdown period in a timely manner.

Management expressed their desire to provide employees with as much advance notice as possible.

Therefore, after the announcement in February detailing which operations will be affected by the shutdown, all employees will be notified by local Plant Management, as soon as is practicable, as to whether or not they are scheduled to be working during the shutdown period. Should the circumstances change after an employee is informed, the new schedule as well as the changed circumstances will be communicated to the employee as soon as possible.

In addition, when business conditions change and a plant is required to work after originally scheduled to be down, the plant will first try to meet their needs through the use of volunteers. Any problem in this area should be raised with the Group/Divisional Director of Labor Relations or the Corporation for review.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 138
WORLDWIDE FACILITIES GROUP

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Worldwide Facilities Group

During the 2003 Negotiations, the parties discussed extensively the necessity to work together to narrow the competitive gap in the area of indirect labor functions. It was acknowledged that the Worldwide Facilities Group (WFG) has assumed greater responsibility to manage these functions at our plant sites and closed facilities.

Further, the National Parties have established a Joint Task Team at the GM-International UAW level under the direction of the GM-UAW Skilled Trades and Apprentice Committee to assess and develop best practices, establish targets (including cost savings targets) and share information in this regard between locations. These efforts will be directed at reducing costs and improving efficiencies. Suggested areas to assess include, but are not limited to non-technical maintenance, specialty maintenance, and building construction and maintenance activities. Other jointly identified studies may be utilized to assist in this project. Costs incurred by the Joint Task Team efforts will be reimbursed by Joint Training Funds.

It is recognized that the GM-UAW Skilled Trades and Apprentice Committee with the assistance of the WFG Quality Council may evaluate the progress/accomplishments of the joint teams relative to targeted goals and make appropriate decisions.

National and local efforts in this regard will not supersede other existing provisions of the National Agreement. The parties also recognize the significance of this activity with potential of having major impact on the competitive position of GM. Therefore, where a plant continues to attain jointly established targeted improvements, reduce costs and increase efficiencies, the Worldwide Facilities Group (WFG) commits to not having outside contractors perform the activities, manpower permitting. The Union, for its part, commits to assisting in implementing best practices and other results of studies beneficial to our locations. In this regard, the parties, furthermore, recognize that best practices development and their timely implementation is important to the success of this agreement. Therefore, the GM-UAW Skilled Trades and Apprentice Committee, assisted by the WFG Quality Council, are committed to continuous improvement of the process and agree to establish the following:

- A timely and proactive process and method for distribution of best practices to each facility so maximum savings can be achieved
- A process that reflects appropriate responsibility for best practice implementation
- A tracking system at the Joint Team and plant levels to monitor implementation and savings achieved
- A mechanism for Joint Team and WFG Quality Council assistance to support best practices implementation

It is agreed that the above would be accomplished without delay following ratification of the agreement.

This understanding does not supersede the existing rights of the local parties to implement modifications to related business activities upon mutual agreement.

Furthermore, the Union expressed concern that the Corporation might choose to sell or spin-off the Worldwide Facilities Group (WFG) after it has assumed

the responsibilities outlined above, which would impact a number of UAW-represented employees and their jobs. In this regard, the Corporation assured the Union there is no intent to sell or spin-off the Worldwide Facilities Group (WFG) or activities for which they are responsible.

Finally, the Union was assured that the Worldwide Facilities Group (WFG) and its supervision will be reminded of their responsibility to be guided by all of the applicable provisions of the current GM-UAW National Agreement, including but not limited to, the provisions addressing sourcing and subcontracting. The parties may determine a need to utilize the Quality Network, particularly the QNPM activities.

Any problems regarding the above should immediately be brought to the attention of the respective Group Labor Relations Staff and/or the Corporate Labor Relations Staff and/or the International Union, UAW.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the joint parties discussed the importance of reporting, investigating, evaluating, and determining corrective actions for "Near Miss" incidents which occur in the workplace. The joint parties recognize that the foundation of any successful safety process rests with a cultural atmosphere that allows employees to bring potentially hazardous situations to the attention of management in order to achieve timely correction. This line of communication can only be achieved if employees are free to discuss "Near Miss" incidents with supervision without fear of reprisal. To this end, the Corporation will instruct Management at each facility:

- On the importance of reporting "Near Miss" incidents.
- To include near misses as part of the current incident investigation process including corrective action.
- To use counseling in lieu of discipline in those cases where an employee immediately self-reports a "Near Miss" incident involving a possible violation of safety rules.

In addition, the National Joint Committee will issue a communication in the form of Safety Talk and/or other materials to encourage employees to immediately report near misses to their supervisor.

Any issues arising from this document should be resolved in accordance at the appropriate level, i.e., Plant Safety Review Board, Divisional Review Board, and National Joint Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Product Development and Transformation

During these negotiations the parties discussed various issues related to product development and product transformation. The Corporation and the Union recognize that future jobs depend on, among other things, continuing investments in product development. Shifting markets, changing consumer tastes, new governmental regulations, international harmonization of such requirements, and a host of other factors have a direct impact on vehicle development and manufacturing. The products manufactured and services delivered must meet evolving customer preferences and demands at a competitive price.

The Corporation fully understands the Union's concerns relative to investment in new products and services, and that such investments, while absolutely necessary, may not alone guarantee good future jobs. New products require additional skills, spur changes in labor demand, and entail new sourcing decisions. The parties acknowledge that involving the Union at the earliest stages of the product development cycle is key to attaining job security while meeting the global challenges of improved quality, speed to market, product innovation, and lowering total costs. To that end, the Corporation has been, and continues to be, fully committed to working with the Union to seek and identify appropriate jointly developed technical training programs that will match new skill requirements with evolving technologies, products and

services, along with the implementation of new programs to cushion unavoidable dislocative effects of rapid product transformation and development. The Corporation recognizes that working together will help preserve and grow good paying jobs for all current and future UAW-represented employees at General Motors Corporation.

In preceding National Agreements and during these negotiations, the parties have recognized the importance of the Union's role and involvement in the product development cycle and product transformation through provisions, such as Appendix L-Sourcing which provide a mechanism for early UAW involvement in the Corporation's plans to proceed with a new or redesigned vehicle. To that end, it is understood and reaffirmed that early during the product development cycle, matters such as sourcing patterns, possible changes in assembly, sub-assembly, stamping, powertrain and other component sourcing patterns, possible insourcing opportunities, and technology which may impact the represented workforce will be reviewed with the International Union in accordance with the provisions of Appendix L-Sourcing. Such early and up-front involvement will allow the Union to continue to be provided with current and anticipated major product developments/product transformations that are having, are expected to have, or could potentially have an effect on employment levels such as projected changes in the major components for motor vehicles (e.g. shift to new propulsion technology and energy storage devices), in materials (e.g. increased use of plastics and/or aluminum in body panels, shift to aluminum castings), in assembly and design (e.g. for easier assembly/manufacturing methods and for disassembly for recycling purposes).

Further, the Union's early involvement during the product development process allows for discussions relative to issues such as the impact of a traditional gas-fueled internal combustion engine vehicle, and, for example, the comparable electric, hybrid electric, fuel cell, or dedicated and flexible alternative-liquid-fuel vehicle with respect to major components, materials,

and assembly methods. In each case, the Corporation will indicate the extent to which changes in specifications will be handled through the revamping of existing UAW-GM operations, by means of technology residing in other divisions of the Corporation or by outside sourcing arrangements.

Finally, it is recognized that Appendix L-Sourcing provides an avenue for discussions as early as practicable in the product development cycle relative to projected production volume of new materials, components, and products, and the potential impact, if any, on UAW-represented jobs.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Clarification of Paragraph 69 Administration 1999 GM-UAW National Agreement

Dear Mr. Shoemaker:

This letter is to confirm our understanding regarding the administration of Paragraph 69 of the 1999 GM-UAW National Agreement as it applies to certain supervisors who also retain seniority in the bargaining unit. Specifically, when applying the "seniority slippage" provisions to those supervisors who had previously established a plant seniority date of January 7, 1985, pursuant to the provisions of Appendix A (VIII)(A)(1) and (A)(4), adjustments will be made to the employee's corporate seniority date used to determine seniority preference as provided in Appendix A(VIII)(A)(2) and (A)(5), upon his/her return to the bargaining unit. The adjusted date will be used: 1) as the "tie breaker" to determine seniority preference amongst employees who share the January 7, 1985, plant seniority date; and 2) as the date that determines eligibility for employee placement opportunities pursuant to Appendix A. However, no adjustment will be made to the date used to determine such an employee's vacation entitlement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

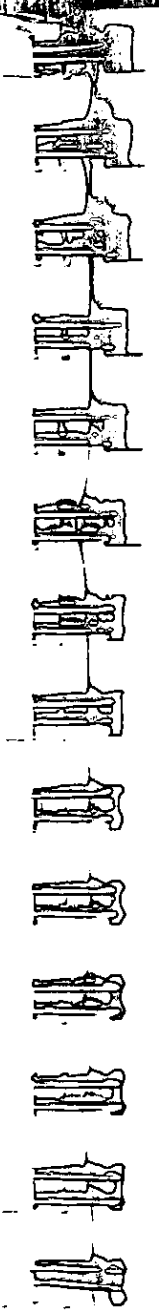
September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

As a result of our continuing discussion regarding the UAW's involvement in future product sourcing, attached is the process flow and description that reflects the most recent conversations between the UAW and General Motors. I am confident that this process will provide involvement, open access and input to decision making early in the vehicle development process. This can significantly impact quality, cost, productivity and program timing, thus enhancing the job security of UAW - GM employees. Further, other joint programs may be able to provide input on specific issues on an "as needed" basis.

In an effort to ensure our collective success, the parties agreed to expand the pilot program employed on the GMT900, the next generation full size trucks, and applied it for all product programs. Additionally, elements of the GMX001 Business Review Process, which represented a different type and level of UAW involvement, will also be incorporated into the overall process going forward, and is described in the Business Review Process attachment. On a pilot basis, involvement with the Vehicle Line Team (VLT) will be part of the process for the Lambda and GMT900 Programs. The purpose of this involvement with the VLT will be to determine if this type of interaction is appropriate to include in the Future Product Sourcing process. The concepts embodied in the pilot process will form the basis for the expansion of UAW



involvement at Vehicle Manufacturing, Powertrain, Metal Fabricating and Service and Parts Operations locations.

Further, the National Sourcing Committee will regularly review and monitor the status of the process and the pilot programs. This will include sourcing activities pertaining to Delphi. Modifications may be necessary to meet the intent of the UAW involvement in future product sourcing as defined in the National Agreement, and the parties are committed to make changes required to ensure its success. Also, the Assistant Director, UAW - JOBS, and the Director, GM Labor Relations, Job Security, Employee Placement, and Sourcing, may be able to provide assistance to the UAW and GM Labor Relations representatives should any problems or issues arise, with emphasis on solving problems early.

The parties recognize the strict confidentiality required regarding our future programs. Both UAW and management representatives will have expanded access to confidential information and the parties must assure it remains confidential. Therefore, the Assistant Director, UAW - JOBS, and the Director, GM Labor Relations, Job Security, Employee Placement, and Sourcing, will review this with their staff members assigned to future product sourcing activities to guarantee their understanding and commitment.

Please note that the attached process example is specific to vehicle assembly and will be the overlay model used in Powertrain, Metal Fabricating, and Service and Parts Operations' locations relative to the future development process for each division. Finally, the parties have agreed to follow a structured communication rollout plan to the appropriate individuals in our respective organizations. Any issues

regarding the implementation of the future product sourcing process, detailed in this letter, will be discussed by the National Sourcing Committee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties had lengthy discussions regarding the implementation of Paragraph (76a) of the National Agreement. The Union asserted that Management was repeatedly suspending employees without providing them with the opportunity to answer the charges that gave rise to the situation for which discipline was being considered. Management responded that the intent of Paragraph (76a) was to provide for this opportunity except in those cases where the employee being interviewed were either unavailable or incapable (physically or emotionally) to effectively respond to the charges.

The parties also recognize that more than one interview pursuant to Paragraph (76a) may be appropriate where additional facts or information has been discovered.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

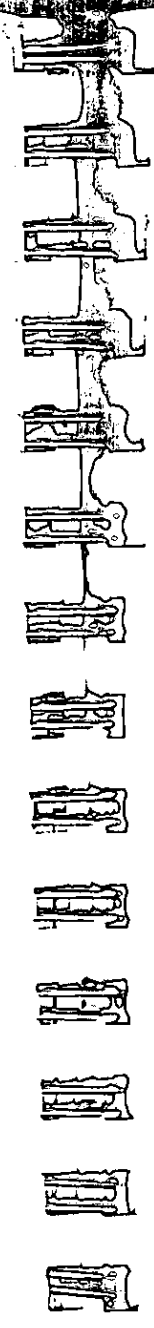
Dear Mr. Shoemaker:

During the current National negotiations, the issue of temporary employees was discussed at length between the Parties. The Union raised its concerns regarding abuses at many locations in connection with the use of temporary employees.

This letter confirms our discussions related to employees hired as temporary. In the event that a plant hires temporary employees without National Parties approval in accordance with Appendix A, Section VII, or in the event that a plant retains temporary employees past the approved period, such employees will become seniority employees. Temporary employees who become seniority employees under this provision will be given credit for time worked as a temporary.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations



GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the Union cited several instances where Management delayed in providing information requested by the Union during the processing of a grievance. In response, Management assured the Union that they fully support the principle of full disclosure. The principle of full disclosure has been discussed in several Umpire decisions dating back to 1941. Management fully supports the principles outlined in those decisions.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the Union expressed concern about the application of Paragraph (98) wage progression to certain employees returning to non-skilled classifications.

This will confirm our understanding that a seniority employee who did not complete wage progression to the full base rate of the job classification pursuant to the provisions of Paragraph (98) and

1) entered into the apprenticeship program but returned to a non-skilled classification before completing said apprenticeship shall be given credit for non-skilled wage progression purposes for the weeks worked while in the apprenticeship program, or

2) accepted and worked a temporary salaried assignment and returned to an hourly non-skilled classification shall be given credit for non-skilled wage progression purposes for the weeks worked as a temporary salaried employee.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Union expressed concern regarding payroll related matters. In resolution of these payroll matters, the Corporation agreed to implement the following:

At those facilities where the Local Union so requests, employees who are scheduled to work on a payday during (i) the Christmas Holiday period or (ii) a model changeover, or (iii) vacation shutdown will receive their paycheck in the work place during such period, except for employees who receive their regular pay by Electronic Funds Transfer (EFT). In order to provide sufficient time for the processing and handling of these checks, the local Payroll Department must receive a list of such employees from that plant's management no later than the last scheduled workday prior to the Christmas Holiday Period or such model changeover.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 148
GM-GLOBAL MANUFACTURING SYSTEM RELATIONSHIP TO UAW-GM QUALITY NETWORK PROCESS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the parties discussed at length the General Motors Global Manufacturing System (GM-GMS) and its proper relationship to the UAW-GM Quality Network process.

As a result of those discussions, the parties agree that within ninety-days of the effective date of this agreement, the QN-GMS National Joint Committee will conduct a complete investigation of activities currently underway in several UAW-GM locations to jointly determine "best practices" for the appropriate approach to full implementation of QN-GMS through the Quality Network process.

Once completed the QN-GMS National Joint Committee will review their findings with the Vice President and Director of the UAW General Motors Department and the Group Vice President - Manufacturing and Labor Relations North American Operations for comment and direction.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Doc. No. 149
OUTSIDE VENDORS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the International Union expressed their concern regarding the functions of outside vendors. It was noted in some locations vendors were on site performing work associated with traditional UAW assignments. Although, in some instances the local parties had discussion in advance of implementation, the national parties had not reviewed such concepts.

Accordingly, the Corporation agrees that, absent agreement by the National Parties, outside vendors other than those historically assigned, such as paint analysts, will not be allowed to locate operations on a plant site that conflicts with UAW assigned operations that could cause a loss of jobs.

The International Union will have the opportunity to review any such plans regarding vendors locating on site prior to implementation. This understanding applies to future situations and is not intended to inhibit the local parties ability to address work typically discussed under the subcontracting provisions.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The parties agree that an active local joint pedestrian/in-plant vehicle team, as agreed to jointly with the Manufacturing Managers Council, is an effective way to reduce risk and injuries. The parties agree that the team will conduct surveys to identify areas of concern such as:

- Keeping pedestrians and vehicles separate
- Maintaining aisles clear of obstructions
- Eliminating blind corners
- Elevating employee awareness
- Improving driver visibility

The parties agree that the jointly published notebook and CD entitled "Pedestrian/In-Plant Vehicle Team Guidelines", produced in June 2003, is an effective tool in sharing best practices and assisting local plant teams in achieving these objectives. The parties agree to jointly update this publication and provide additional tools to the teams.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Programs at Pre-Productions operations, e.g., Validation Centers, Technical Centers, Tooling facilities and Design facilities, may be subject to delays, cancellation, funding approval or other unforeseen circumstances that may impact workload requirements in these types of operations.

It is recognized that the provisions of Document No. 10 of the GM-UAW National Agreement do not address the above referenced conditions. When these types of events occur, the local JOBS Committee will work together to develop plans for manpower requirements.

Any dispute with the provisions of this letter will be brought to the National JOBS Committee for resolution. It is understood between the parties that the terms of this letter are without prejudice to either position regarding the terms of Document No. 10 and related JOB Security provisions contained in the current GM-UAW National Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The Corporation and Union Leadership acknowledge and have discussed at great length the competitive challenges facing General Motors Service and Parts Operations and the UAW's concerns relative to job security. Furthermore, the parties recognize that GMSPO is in a highly competitive market, and must aggressively reduce the gap between SPO and its competitors in order to satisfy our mutual goals. In order to do this, we must reduce our structural costs and increase our market share, thereby, improving job security. This means that critical processes currently utilized and proven successful by the competition must be adopted. To that end, it is necessary to transition from the present Regional Interline Facilities (RIF's) to Shared Cross-Docking.

The present RIF structure, as we know it today, will be discontinued and GMSPO will relinquish its interest in those facilities and associated work functions. Work functions currently being performed within the bargaining unit that will transition to Shared Cross Docks include:

- Core freight piece and piece count verification
- Core transfer to shipping containers (54" basket)
- Movement of excess cages/totes to storage areas
- Scrap recovery associated with the Autocraft process

Beginning in the fourth quarter of 2003, the transition from the RIF's will begin. The 24 UAW employees

presently assigned to that work will not be adversely impacted, as they will be transitioned back into the associated PDC on a plant-by-plant basis. The expectation is that this RIF transition will be complete by the second quarter of 2005. A specified timeline will be developed at the conclusion of the 2003 Negotiations. Any changes to this timeline will be discussed with the Union.

Beginning the first quarter of 2004, Management will begin the insource of the new Equinox (subject to the production launch timing). The parties recognize that with our Distributable/NonDistributable process and the market forecast, it is anticipated that the volume will eventually rise, resulting in increased UAW employment. The Equinox work will be insourced in phases (13 jobs by fourth quarter 2004 and 22 by fourth quarter 2005), totaling 35 UAW jobs. All insourced Equinox work excludes in-house unitizing. Common parts between Saturn and GM's Equinox will be handled through their respective distribution channels.

Furthermore, thirteen additional jobs will be identified and insourced by year end 2005. These jobs may be a result of increased Equinox work or newly identified work.

In summary, the RIF transition affects 24 UAW jobs. The Equinox and new work insourcing initiatives provide a total of 48 UAW jobs. This is an overall net increase of 24 UAW jobs. All commitments to these 24 jobs will be met sooner, but no later than, the fourth quarter of 2005, predicated on launch schedules, and barring any circumstances beyond the Corporation's control.

This undertaking is viewed as one of several opportunities to strengthen the relationship of the local

parties with the goal of ensuring the long-term viability of GMSPO; and, thereby, preserving the job and income security of its UAW members.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

As a result of our continuing discussions regarding the UAW's ability to defend and retain work and to have expanded opportunities to perform additional work, this is clarification of our mutual understanding regarding new, current, new architecture, or redesigned vehicles, fabricated parts, powertrain (propulsion technology and energy storage devices), and component products.

In situations wherein the Corporation is introducing a new, current, new architecture, or redesigned vehicle, engine or transmission, or other product that does not replace or update an existing product, as jointly reviewed by the National Parties, the GM-UAW National Agreement Future Product Sourcing process will be utilized and will provide the UAW with early involvement and timely access to all pertinent data, including financial information.

Notwithstanding the above, the provisions of the Memorandum of Understanding between the parties relative to Net Sourcing (dated January 20, 2000) remain applicable.

The elements of this letter are not intended to circumvent and/or change the definition of outsourcing in the GM-UAW National Agreement and Appendix L provisions. The sole principle and intent of this letter is

NEW WORK OPPORTUNITIES

to provide the UAW with expanded opportunities to defend its work and create opportunities to grow its membership as provided by the commitments contained in Appendix L.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the Union expressed concern regarding the use of undercover agents at various plant locations to monitor employee activity.

The Corporation clarified their position that the use of undercover agents is limited to those instances where there is evidence of serious misconduct and the perpetrators must be observed by persons not readily identified as Management representatives. Further, the Union was advised that, in the future, complaints regarding conduct of undercover agents and the quality of such service may be brought to the attention of the Group Vice President, Manufacturing and Labor Relations, by the Vice President and Director of the General Motors Department, UAW.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

2003 GM-UAW CONTRACT SETTLEMENT AGREEMENT

2003 GM-UAW CONTRACT SETTLEMENT AGREEMENT

Agreement dated this 18th day of September, 2003 between General Motors Corporation, hereinafter called the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter called the Union.

The parties hereto agree as follows:

1. New National Agreement

A new National Agreement to be dated September 18, 2003 and to become effective as hereinafter provided in Paragraph 27 of this Agreement has been negotiated by the parties hereto and consists of the provisions of the National Agreement between the parties dated September 28, 1999 except for the changes hereinafter noted.

2. Unchanged Paragraphs

The following paragraphs, appendices and memoranda of the September 28, 1999 Agreement as supplemented, shall be included in the new Agreement without change:

INTRODUCTION	(4f)	(41)(a)	(5)
PREFACE	(4g)	(41)(b)	(5a)
(1)	(4g1)	(41)(d)	(6)
(2)	(4g2)	(41)(e)	(6a)
(2a)	(4h)	(41)(f)	(7)
(3)	(4i)	(4m)	(8)
(4)	(4i1)	(4n)	(9)
(4a)	(4il)(a)	(4o)	(10)
(4b)	(4il)(b)	(4p)	(11)
(4c)	(4i)	(4g)	(12)
(4d)	(4k)	(4r)	(13)
(4e)	(41)	(4s)	(14)

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Appendix B
Appendix C
Appendix D
Appendix F
Appendix F-1
Appendix F-2
Appendix H
Appendix I
Appendix K,
Att. A
Att. B

Memorandum of Understanding on Overtime
Memorandum of Understanding Human Resource Development
Memorandum of Agreement
Welding Equipment Maintenance and Repair (WEMR) Classification

1. Memorandum of Agreement, Dated March 15, 1972.
2. Irving Bluestone's Letter to George B. Morris, Jr., Dated March 16, 1972.
3. The Welding Equipment Maintenance & Repair Apprentice Schedule agreed upon by GM-UAW Skilled Trades & Apprentice Committee on May 18, 1972.

WEMR Guidelines
Memorandum of Understanding on Work Centers

3. Amendments, Additions, Substitutions and Deletions

A. The following paragraphs, appendices, and memoranda of the September 28, 1999 Agreement, as supplemented, shall be amended, as initialed by the parties and attached hereto, and shall be included in the new Agreement:

AGREEMENT
(48)(1)
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Appendix A
Appendix K
Appendix K, Att. C
Appendix L

Memorandum of Understanding Health and Safety
Attachment "A"
Memorandum of Understanding Joint Activities
Memorandum of Understanding Joint Skill Development and Training
Memorandum of Understanding Tuition Assistance Plan
Memorandum of Agreement Voluntary Political Contributions
Statement on Technological Progress
Memorandum of Understanding Quality Network
Attachment A
Attachment B
Attachment C
Attachment D

B. The following new paragraphs, appendices and memoranda, as initialed by the parties and attached hereto, shall be included in the new Agreement:

(101)(a)(3)
(101)(b)
(101)(b)(1)
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C. The following Paragraph of September 28, 1999 Agreement was renumbered and changed:

(96a)(1)(c)

4. Personal Relief for Certain Employees

The policy noted below shall continue in effect for employees during the term of the new Agreement in the

same manner and to the extent it has been applied under the September 20, 1961 Agreement between the parties, except that the amount of relief time as set forth in the policy expressed in Mr. Troy A. Clarke's letter of September 18, 2003 to the International Union, UAW, Attention: Mr. Richard Shoemaker, Vice President and Director, General Motors Department, on the subject of relief shall be applicable to those employees to whom the above letter shall apply:

GM will provide sufficient relief person to provide each employee on production lines with 24 minutes of actual personal relief per shift taking into consideration that the first hour at the start of shift and the first one-half hour after lunch are not ordinarily required for relief except in emergencies; details to be implemented locally with the understanding this provision shall not interfere with any mutually satisfactory local practice.

[See Doc. 56]

5. Union Bulletin Boards and Publication Racks

The Union agrees to indemnify the Corporation against any and all actions, charges, claims, damages or losses of any kind or nature whatsoever resulting from, arising out of, based upon, or attributable to (1) any material posted or displayed on Union bulletin boards bearing the written approval of the President of the Local Union or the Chairperson of the Shop Committee, or (2) the display and/or distribution through the Union Publication Racks of publications of the Local Union and International Union which have been certified to Management as official by the President of the Local Union, the Chairperson of the Shop Committee or the International Union Representative.

[See Par. (92)-(94)]
[See Doc. 6]

6. Indemnity Agreement

The Union agrees to enter into indemnity agreements with the Corporation and the Trustee of the GM-UAW Supplemental Unemployment Benefit Plan Fund whereby the Union indemnifies and protects the Corporation and the Trustee against liability arising from the check-off of Union membership dues and initiation fees from employees' wages or from any Regular Benefits received under the GM-UAW Supplemental Unemployment Benefit Plan. Each of these agreements is to be similar in form and substance to the indemnity agreement executed by the parties in connection with the most recently expired Agreement, with such changes as may be necessary to make them conform to the current understanding of the parties.

[See Par. (4h),(4q)]
[See Doc. 18]

7. Miscellaneous Agreements

The miscellaneous Memoranda of Understanding and other Agreements between the Corporation and the Union which are listed on the attachment hereto entitled "Miscellaneous Agreements," are hereby reinstated to the extent applicable under their respective provisions and shall continue in effect for the life of the new Agreement.

8. Grievances Under Old Agreement

Grievances filed with Management prior to the effective date of the new Agreement, may be appealed to the Umpire and considered by him under the provisions of the September 28, 1999 Agreement as though that Agreement were in effect until the effective date of the new Agreement.

[See Par. (46)]

9. Local Agreements

It is agreed that any written local agreements, including but not limited to, local wage agreements, local seniority agreements and local shift preference agreements, entered into by the Shop Committees and Local Managements after September 11, 2003, currently in effect, shall continue as local agreements between the respective local Management and Shop Committee subject to their respective terminal provisions, if any, and subject to the provisions of the new Agreement, for the life of the new Agreement. Any local agreement without a termination clause shall terminate without further action by either party to such local agreement, with the effective termination of the new Agreement, and such local agreement shall not be terminated otherwise except as the parties to such local agreement may agree hereafter in writing.

[See Par. (59),(75),(100),(221)]

10. Hiring Rates

An employee hired during the term of the previous GM-UAW National Agreement(s) who has not attained the maximum base rate of the job classification as of the effective date of the new Agreement shall progress to the maximum base rate of the job classification in accordance with the provisions of Paragraph (98) of the GM-UAW National Agreement most recently expired not including the amount transferred from the Cost of Living Allowance pursuant to Paragraph (101)(g) of this Agreement.

The parties agreed that Paragraph (98) of the new Agreement is not intended to change any of the provisions or applications of local wage rules. However, where such wage rules are applied to employees who have not attained the maximum base rate of the job classification and who are covered by Paragraph (98), (98a), or (98b) of the new Agreement,

the appropriate rate in Paragraph (98), (98a), or (98b) of the new Agreement will apply.

An employee, who has received the hire rate and rate progression set forth in Paragraph (98), (98a), or (98b) of the new Agreement and who, at the expiration of one hundred and fifty-six (156) weeks of employment, is assigned or continues to be assigned to a job classification that has an extended training period, but has not completed the required time in such classification to receive the maximum base rate, will continue at the current rate or the rate specified in the local wage agreement for time worked in such classification, whichever is higher. Thereafter, such employee will receive a rate in accordance with the provisions of the local wage agreement.

For the purpose of applying the provisions of Paragraph (98), (98a), or (98b) of the new Agreement to the administration of a "Levels of Learning" or "Pay for Knowledge" system, the "maximum base rate of the job classification" shall be the locally negotiated base rate for Level I. In the event an employee is transferred to a level higher than Level I, the maximum base rate of the job classification will be the rate for the level to which the employee is assigned.

For the purpose of determining the respective rates specified in Paragraph (98), (98a), or (98b) of the new Agreement, the Engineering Method of Rounding specified in the current Troy A. Clarke letter regarding COLA-Calculation shall apply.

[See Par. (100)]
[See Doc. 87]

11. National Agreement Changes and/or Waivers

It is agreed that it may be beneficial for local unions and local managements to consider alternative work schedules and other changes at particular plant

locations. It is further agreed that in order to facilitate and encourage such innovations, it may be necessary to change and/or waive certain provisions of the National Agreement at such plant locations. It is understood that any such change or waiver would not be effective unless approved in writing both by the Corporation and the International Union, and such changes would be effective only at the plant location(s) specifically designated.

[See Par. (81)-(86),(89a),(220)]
[See App. K]
[See Doc. 85,112,116]

12. Local Issues Strikes

The Corporation will waive the provisions of the National Agreement prohibiting the right to strike with respect to each plant in which the International Union, UAW, authorizes a strike arising out of current negotiations of local issues, demands and supplemental agreements for the duration of the continuance of such strike at such plant. No such strike shall be authorized or called, however, without at least 5 working days prior written notice by the Union to the Corporation of the intention to authorize any such strike.

[See Par. (117)]

13. Related Supplemental Agreements

Modified supplemental agreements are agreed to as shown on the pages which are initialed by the parties.

An amended Supplemental Agreement covering Pension Plan, Exhibit A; an amended Supplemental Unemployment Benefit Plan, designated as Exhibit D; and amended Supplemental Agreement Covering Guaranteed Income Stream Benefit Plan, Exhibit E; and an amended Supplemental Agreement covering Profit Sharing Plan, Exhibit F are agreed to and renewed and shall be the same as those of the most recently expired Supplemental Agreements, except that they shall be

revised as shown on the pages which are initialed by the parties, effective in accordance with and subject to the provisions of such pages.

14. Life and Disability Benefits Program and Health Care Program

2003 Supplemental Agreements Covering Life and Disability Benefits Program, Exhibit B; and Health Care Program, Exhibit C, set forth in the pages which are initialed by the parties, are agreed to, effective in accordance with and subject to the provisions of such pages.

15. Personal Savings Plan

A 2003 Supplemental Agreement Covering Personal Savings Plan, Exhibit G, set forth in the pages which are initialed by the parties, is agreed to, effective in accordance with and subject to the provisions of such pages.

16. Exhibit B - Life and Disability Benefits Program

Notwithstanding the provisions of Item 27 of this Contract Settlement Agreement and the provisions of Paragraph (101)(a)(1) and (101)(a)(2) of the new Agreement, those provisions of Exhibit B to the new Agreement shall have as their effective date the effective date of the new Agreement.

17. Corporation-Union Committee on Health Care Benefits

The Corporation-Union Committee on Health Care Benefits will engage in activities which have a high potential for cost savings while achieving the maximum level of health care coverage and services for the money spent for such protection. The Corporation will make available funds up to $3,600,000 which may be spent

over the four-year period beginning with the effective date of the 2003 GM-UAW National Agreement to fund such mutually agreed upon activities as studies, pilot projects, and use of consultants.

18. Funding: Growth and Opportunity Committee

Funding for employee compensation and operating expenses of this joint activity will be provided from National funds upon approval of the Executive Board - Joint Activities and the Joint Skill Development and Training Committee.

[See App. K]
[See Memo-Joint Skill Development]
[See Doc. 12]

19. Funding: Health and Safety Activities

The Executive Board - Joint Activities will direct and support the joint health and safety activities at both the national and local level. These shall include health and safety training for skilled and non-skilled employees, pilot and research projects initiated by the National Joint Committee on Health and Safety and expenses associated with the purchase and installation of equipment to improve communication of health and safety information between the Corporation and the International Union. To assure adequate funding for these activities, the Corporation will make available funding at four cents (4¢) per hour worked. These funds will be accumulated by and coordinated administratively on behalf of the Executive Board by the Joint Skill Development and Training Committee. In the event this Fund is depleted, subsequent funding for future reoccurring expenses, if approved, will be made available through National training funds.

It is agreed that uncommitted funding balances accrued under the 1999 National Agreement as of September 14, 2003 will be carried forward under the

New National Agreement. Subsequent to September 14, 2003 a final reconciliation and balancing of accounts, expenditures and commitments as of September 14, 2003 will occur. Thereafter, the remaining funds will be available for the Joint National Committee on Health and Safety.

[See Memo-Joint Activities]
[See Doc. 7]

20. Wages Earned Definition

For the purpose of this Agreement, monies distributed in the form of Profit Sharing, and Payments provided for in Paragraph (101)(b) and Document 92 shall be considered wages earned.

[See Par. (41)(a)]
[See Profit Sharing Plan-Exhibit F]

21. Statement on Technological Progress

A statement, entitled "Statement on Technological Progress," as initialed by the parties, is attached hereto and made a part thereof.

[See Statement on Technological Progress]

22. Apprentice Safety Training

During the 1996 Negotiations the parties agreed to a revised Basic Safety Training Guide covering all approved GM-UAW Apprentice Training schedules except design classifications which reads as follows:

"The approximately 80 hours of safety instruction provided for will be incorporated into the shop or related training schedules or a combination of both. The total shop training shall remain 7,328 hours and the total related training shall remain 576 hours. The portion of the 80 hours to be provided as shop training shall be subtracted from existing 'Optional Hours.' The portion of the 80 hours to be provided as related training shall be subtracted from 'Unassigned' related training hours.

"When the method of providing this safety training has been jointly established locally it shall be reviewed by the Local Apprentice Committee and the Local Joint Committee on Health and Safety and a copy of each revised schedule shall be forwarded to the GM-UAW Skilled Trades and Apprentice Committee for approval. The schedules revised in accordance with this agreement will be adopted for those apprentices presently in the training program to the extent that they can be integrated into such revised programs without interfering with the progress of the apprentice."

[See Par. (122)f,(133),(145)]
[See Doc. 7]

23. Group Legal Services Plan

A 2003 Supplemental Agreement Covering Group Legal Services Plan, Exhibit I, set forth in the pages initialed by the parties, is agreed to, effective in accordance with and subject to the provisions of such pages.

24. Employee Benefit Plans and Programs

During the course of bargaining, the Union requested that the Supplemental Agreement(s) regarding Employee Benefits Plans and Programs which are attached to and part of the 2003 GM-UAW and 2003 Delphi-UAW National Agreement(s) be administered as if there were one agreement. The parties agreed that Delphi and GM will make the necessary arrangements to assure that the administration of the Employee Benefits Plans and Programs will be consistent between the two companies during the term of the 2003 National Agreement(s).

25. UAW - GM - Delphi Flowback Agreement

For the purposes of this UAW - GM - Delphi Flowback Agreement, "GM Employee," as used herein, refers to the UAW hourly represented employees

actively employed at GM and employees with unbroken seniority who are on lay off or leave of absence from GM business units. "Delphi Employee," as used herein, refers to the UAW hourly represented employees actively employed at Delphi and employees with unbroken seniority who are on lay off or leave of absence from Delphi business units (see Attachment A).

Employee Placement

It is recognized that the ability to move from GM to Delphi and from Delphi to GM is a concern of employees. The parties have developed the following procedures to address this concern.

A. Eligibility

GM and Delphi employees who were hired on or before the expiration date (October 18, 1999) of their respective 1996 GM-UAW or Delphi-UAW National Agreements will be covered by this Flowback Agreement.

B. Application Process

1. GM or Delphi employees who wish to apply for job openings at the other Company must file an Area Hire and/or Extended Area Hire Application using the GM Employee Placement System (EPS). Employees may file an application to the other Company through December 31, 2006.

2. Employees who have filed an Area Hire and/or Extended Area Hire Application pursuant to this Flowback Agreement, will be permitted to designate one or more plant locations and to change their selection of plant locations during and after the close of the application period.

C. Placement Process

1. Area Hire Placement

When there are applicants for Area Hire placement between Companies, the following priority will apply in filling openings:

a) Plant recall

b) Plant rehire

c) Laid off employees from the Company with the job opening, who volunteer, will be made job offers in seniority order.

d) Applicants from the other Company will be made job offers in seniority order.

e) The balance of Area Hire job offers will be made in accordance with the provisions of Appendix A of the Company with the job opening.

f) When the number of applicants to be made offers exceeds the number of applicants that could be immediately released, the UAW, GM and Delphi will develop an employee transfer plan that protects the effectiveness of the on-going operations and accommodates timely employee placement.

g) Employees will remain eligible for Area Hire job offers between Companies until they are placed or refuse an Area Hire job offer.

2. Extended Area Hire Placement

a) Eligible applicants for Extended Area Hire placement between Companies will be eligible for a maximum of three (3) Extended Area Hire job offers to openings. These Extended Area Hire job offers will be made

to such applicants in seniority order for their first Extended Area Hire opportunity. After the initial offer, all Extended Area Hire applicants will be combined and job offers will be made in seniority order. To fulfill contractual requirements to hire new employees at one Company, applicants from the other Company will be made job offers in seniority order. When the number of applicants to be made offers exceeds the number of applicants that could be immediately released, the UAW, GM and Delphi will develop an employee transfer plan that protects the effectiveness of the on-going operations and accommodates timely employee placement.

b) Employees will continue to be eligible for Extended Area Hire job offers between Companies until they are placed or refuse three (3) such Extended Area Hire job offers.

3. When a contractual requirement to hire new employees exists at a GM or Delphi plant, the appropriate applicant from the other Company will be made a job offer. The placement of the applicant will result in a new hire backfill at the sending plant. An applicant so placed will satisfy the contractual new hire requirement.

   For the period of 10-1-03 through 9-14-07 contractual requirements to hire new employees will be filled in a ratio of 2:1 (i.e., 2 Flowbacks and 1 New Hire).

   When it is otherwise necessary, i.e. a non-contractual requirement, to add new employees at a GM or Delphi plant, the appropriate applicant from the other Company will be made a job offer. The placement of the

applicant will result in a backfill at the sending plant in the following order: (1) a Protected Status employee being placed on active status, (2) recalling an employee from layoff, or (3) by hiring new employees.

4. The provisions of this Flowback Agreement provides for one Company to Company placement per employee.

5. Employees who have broken seniority pursuant to Paragraphs 64(a) through 64(d) or Paragraph 111(b) will be eligible to file an Area Hire and/or Extended Area Hire Application to the other Company under this Flowback Agreement.

D. Recall and Rehire Rights

The separation of GM and Delphi does not impact recall and/or rehire rights at either Company. Employees who retire from one Company will not be eligible for placement at the other Company.

E. Employees on Leave

Employees on leaves of absence from either Company must return to active status at the plant from which they are on leave in order to be eligible for placement pursuant to the terms of this Flowback Agreement.

F. Skilled Trades

1. Skilled Trades employees with unbroken GM or Delphi skilled trades seniority, who apply for transfer between Companies, will be given the opportunity to file Area Hire and/or Extended Area Hire Application for a skilled trades job opening and/or a non-skilled job opening.

2. Skilled Trades employees with unbroken GM or Delphi skilled trades seniority, who apply for transfer between Companies, currently working as a non-skilled employee may file an Area Hire and/or Extended Area Hire Application for a skilled trades job opening and/or a non-skilled job opening.

G. Apprentices

It is understood that Paragraph (113a) and Document 20 will apply between GM and Delphi.

H. Employee Placement System and Placement Process Impact

During the implementation of this Flowback Agreement, it is recognized that an increase in placement activity may occur. Any issues related to the implementation of this Flowback Agreement will be addressed promptly by the GM and UAW National Parties and/or Delphi and UAW National Parties.

It is further understood that the National Parties may also mutually agree to deviate from this process.

Attachment A

Delphi Business Units

Delphi Operating Units

- Delphi Energy & Chassis-Saginaw Manufacturing
- Delphi Energy & Chassis-Sandusky
- Delphi Automotive Holdings Group-Needmore Road
- Delphi Automotive Holdings Group-Flint
- Delphi Delco-Kokomo
- Delphi Delco-Milwaukee
- Delphi Automotive Holdings Group-Anderson
- Delphi Energy & Chassis-Coopersville
- Delphi Automotive Holdings Group-Fitzgerald
- Delphi Automotive Holdings Group-Flint East

- Delphi Automotive Holdings Group-Flint West
- Delphi Energy & Chassis-Grand Rapids
- Delphi Energy & Chassis-Laurel
- Delphi Energy & Chassis-Milwaukee
- Delphi Automotive Holdings Group-Olathe Battery
- Delphi Energy & Chassis-Rochester
- Delphi Energy & Chassis-Wichita Falls
- Delphi Safety & Interior-Adrian
- Delphi Safety & Interior-Columbus
- Delphi Automotive Holdings Group -Athens
- Delphi Steering-Saginaw
- Delphi Harrison Thermal-Lockport
- Delphi Automotive Holdings Group -Tuscaloosa

Delphi Closed/Consolidated Units

- Inland Fisher Guide-Detroit
- Inland Fisher Guide- Elyria
- Inland Fisher Guide- Euclid
- Inland Fisher Guide- O'Fallon
- Inland Fisher Guide-Tecumseh
- Inland Fisher Guide-Sioux City
- Inland Fisher Guide-Syracuse
- Delphi Chassis-Bristol
- Delphi Chassis-Livonia
- Delphi Energy & Engine-Albany
- Delphi Energy & Engine-Muncie Battery (Consolidated)
- Delphi Interior - Trenton

26. UAW-Delphi Center for Human Resources

Whenever a reference to the UAW-Delphi Center for Human Resources (CHR) or a related activity appears, it shall be deemed to refer to the UAW-GM Center for Human Resources (CHR) and, as appropriate in the context, the services, programs and activities provided through, and the facilities owned, operated or otherwise provided by, or associated with the UAW-GM CHR (including Document No. 40 of the GM-UAW National Agreement).

27. Ratification and Effective Date

A. The new Agreement shall become effective on the first Monday following the date on which the Corporation receives satisfactory notice from the International Union that the new Agreement has been ratified by the Union membership provided that the Corporation receives said notice from the International Union on or before October 19, 2003.

B. No provision of the new Agreement shall be retroactive prior to the date such Agreement becomes effective, unless otherwise specifically stated therein.

[See Par. (222)]

28. Counterpart Signatures

The signatures hereon shall be applicable to each of the various written agreements to which each party has committed itself in the same manner and with the same effect as if physically subscribed thereon.

The parties hereto, each by its duly authorized officials and representatives hereby accept this Contract Settlement Agreement and each and all terms and conditions thereof.

INTERNATIONAL UNION, UAW

R. N GETTELFINGER
RICHARD SHOEMAKER
JIM BEARDSLEY
HENDERSON SLAUGHTER
JOE SPRING
BILL STEVENSON
DAVE CURSON
JIM SHROAT
RON BIEBER
SCOTT CAMPBELL
ANTONIO ORTIZ
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STATEMENT ON TECHNOLOGICAL PROGRESS

During negotiations the International Union has claimed that certain work which is performed at some plant locations where the UAW is the certified bargaining representative of certain employees has been improperly assigned to non-represented employees of General Motors.

The Corporation is mindful of the Union's concern regarding the scope and work content of job classifications of employees in the UAW bargaining unit and how such may be affected by advancing technology. Accordingly, the GM-UAW Skilled Trades and Apprentice Committee will meet periodically to discuss matters concerning new or advanced technology that cannot be resolved locally and are referred to it by local unions or local managements as well as claims of erosion of the bargaining unit.

Since the first National Agreement of June 24, 1940, many necessary changes in methods and processes have had an impact upon the scope and work content of job classifications of both represented and non-represented employees.

Advancing technology has created, and will continue to create, new and more complex problems bearing upon the work content of job classifications of employees represented by the Union.

It is not the Corporation's policy to assign to non-represented employees work which comes within the scope and content of that normally assigned to represented employees at a particular plant location. The Corporation recognizes that mere novelty or the sophistication of new technology alone is not grounds for withdrawing work from represented employees. Similarly, the Corporation does not believe that the

perimeters of the bargaining unit at a particular plant location should be expanded simply by the introduction of new technology.

It is recognized that advances in technology may alter, modify or otherwise change the job responsibilities of represented employees at plant locations and that a change in the means, method or process of performing a work function including the introduction of computers, energy management systems, modem, art to part, tool cutting paths and fiber optics, CAM, CMM, CAE, 3D Visualization or other new or advanced technology will not serve to shift the work function from represented to non-represented employees. Therefore,

1. Where a work function at a plant location preceded the certification of the Union, the work function will be assigned as it was assigned at the time of certification, unless there has been a written agreement otherwise.

2. Where a work function was introduced at a plant location following the certification of the Union, the work function will be assigned as it was originally assigned, unless there has been a written agreement otherwise.

The Corporation and the International Union are in agreement that the assignment of represented or non-represented employees depends upon the work function involved and not necessarily upon the work tasks required to accomplish such work function.

Notice and Discussion

The Corporation agrees to advanced written notification to local unions at locations planning the introduction of new or advanced technology so as to permit meaningful discussion of its impact, if any, upon skilled or non-skilled employees.

The Chairperson of the Shop Committee, the Personnel Director, and/or their designated representatives will comprise a Plant New Technology Committee. The Local Management will describe for the Plant New Technology Committee the extent to which such technological changes may affect the work performed by represented employees at the plant location involved. The Chairperson of the Shop Committee and the International Union will be provided a written description of the technology involved, the equipment being introduced, its intended use and the anticipated installation date(s). During the discussions the Chairperson of the Shop Committee may include as members of the Plant New Technology Committee, other Local Union representatives such as the Health and Safety Representative, a representative from the Local Joint Skill Development and Training Committee, a member of the Local Apprentice Committee, or other employees, as necessary, in order to review the various matters of concern relative to the introduction of the new technology involved. Accordingly, the parties agreed upon the following examples of situations where notification should be given:

A) The first introduction of a technology as compared to previously existing plant technology.

B) Introduction of a new, more advanced generation of existing technology having a significantly different impact on the bargaining unit.

C) Introduction of a new application of existing technology which has a significantly different impact on the bargaining unit.

The parties also highlighted that the National Agreement provides for notification to take place as far in advance of implementation of the technological change as is practicable. This is not only to enable the Plant New Technology Committee to discuss the impact

such introduction of technology has on the bargaining unit, but also to discuss timely implementation of employee training to prepare them to perform their appropriate functions.

Training

The Union has also voiced concern about the possibility that new, technologically impacted bargaining unit work will not be awarded to represented employees because they are insufficiently trained to perform it. In view of the parties' interest in affording maximum opportunity for employees to progress with advancing technology, as part of the advanced discussion, the parties shall seek to identify appropriate specialized training programs, to be made available as far in advance of the technology's introduction to the plant as practicable, so that employees will be capable of performing new or changed work normally performed by represented personnel.

Dispute Resolution

The following paragraphs set forth a means of resolving disputes concerning particular problems occasioned by advancing technology.

Where the initial introduction of new or advanced technology at a plant location occasions a question of whether:

1) certain new work should be assigned to represented employees,

2) affects the job responsibilities of represented employees, or

3) otherwise impacts the scope of the bargaining unit,

The Plant New Technology Committee will attempt to resolve the matter without resorting to the grievance

procedure. Local Management will cooperate in the Plant New Technology Committee's investigation and evaluation of impact issues raised due to the introduction of new or advanced technology. Comments by the Committee will be carefully evaluated by the Local Management in accordance with the Corporation's policy relative to the assignment of work which comes within the scope and content of that normally assigned to represented employees at the plant location. If the issue remains unresolved either party may request involvement of the GM-UAW Skilled Trades and Apprentice Committee. Any remaining unresolved issues may be introduced into the second step of the grievance procedure as provided in Paragraph (31) of the National Agreement.

Settlements made by the local parties concerning the assignment of work functions as between represented and non-represented employees in relation to the new or advanced technology discussed will be forwarded to the International Union and the Corporation and will be reviewed by the GM-UAW Skilled Trades & Apprentice Committee within thirty (30) days of receipt of the settlement. In the event either the Corporation or the International Union does not approve the settlement following the review by the National Committee, the subject matter in dispute will be referred to the Management-Shop Committee Step of the Grievance Procedure and processed in accordance with the applicable provisions of the Grievance Procedure.

[See CSA #21]

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Vol 2

Supplemental Agreement

Covering

PENSION PLAN

9/7/07

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Exhibit A

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

dated

September 18, 2003

Effective 10/6/03 - 9/14/07

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EXHIBIT A

SUPPLEMENTAL AGREEMENT

(Pension Plan)

SUPPLEMENTAL AGREEMENT (PENSION PLAN)

On this 18th day of September 2003, General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, on behalf of the employees covered by the collective bargaining agreement of which this Supplemental Agreement becomes a part, agree as follows:

Section 1. Establishment of Plan

Subject to the approval of its Board of Directors, which occurred on October 7, 2003, the Corporation established an amended pension plan, hereinafter referred to as the Plan, a copy of which is attached hereto as Exhibit A-1 and made a part of this agreement to the extent applicable to the employees represented by the Union and covered by this agreement as if fully set out herein, modified and supplemented, however, by the provisions hereinafter. In the event of any conflict between the provisions of the Plan and the provisions of this agreement, the provisions of this agreement will supersede the provisions of the Plan to the extent necessary to eliminate such conflict.

The Plan, as set forth in Exhibit A-1, and the Plan as it may be modified and supplemented by superseding provisions of this agreement, as above provided, are both contingent upon and subject to obtaining and retaining such approval of the Commissioner of Internal Revenue as the Corporation may find necessary to establish the deductibility under Section 404 of the Internal Revenue Code for income tax purposes of any and all contributions made by the Corporation to both plans and to establish the plans and related trust as being qualified and tax exempt under Sections 401 and 501(a) or other applicable provisions of the Internal Revenue

Code. Any modification or amendment of either the Plan, or the Plan as modified and supplemented by this agreement, may be made retroactively by the Corporation with the consent of the Union, if necessary or appropriate, to qualify or maintain the Plan as a plan and trust meeting the requirements of Sections 401 and 501(a) of the Internal Revenue Code, as now in effect or hereafter amended, or any other applicable provisions of the federal tax laws, as now in effect or hereafter amended or adopted, and the regulations issued thereunder, provided that pension benefits under the Plan are not diminished.

Until the Plan is approved by the Corporation's Board of Directors and by the Commissioner of Internal Revenue, all as hereinbefore provided, the benefits payable shall be only those determined under the Plan as constituted prior to October 1, 2003; provided, however, that following approval by its Board of Directors and its receipt of the favorable ruling from the Commissioner of Internal Revenue as set forth above, the Corporation or the trustee will pay to retired employees and surviving spouses any excess amounts equal to the difference between the monthly pension calculated in accordance with the terms of the Plan, attached hereto as Exhibit A-1, and the monthly pension paid or payable in accordance with the terms of the Pension Plan which was attached as Exhibit A-1 to the Supplemental Agreement (Pension Plan) between the Parties dated September 28, 1999. Any such excess amounts payable for months prior to the receipt of the aforementioned Board of Directors and the Commissioner of Internal Revenue approvals, shall be payable the first of the month following the date upon which the last of these two approvals is received by the Corporation, and any such amounts payable thereafter shall be paid on the first of the month at the same time as the related pension is paid.

In the event that the Plan is disapproved by the Board of Directors of the Corporation, the Corporation within thirty days after any such disapproval will give written notice thereof to the Union and this agreement shall thereupon have no force or effect. In that event the matters covered by this agreement shall be the subject of further negotiation between the Corporation and the Union.

Section 2. Financing

(a) A trustee or an insurance company, or both, shall be designated by the Corporation, and a trust agreement or contract, or both, executed between the Corporation and such trustee or insurance company, or both, under the terms of which a pension fund or insured fund, shall be established to receive and hold contributions payable by the Corporation, interest, and other income, and to pay the pensions and supplements provided by the Plan.

(b) The Corporation agrees to pay over irrevocably to the trustee or insurance company during the period of this agreement, contributions or payments for the Plan equal to the sum of (i) and (ii) below as determined and certified as of each anniversary of the effective date of the Plan by one or more actuaries chosen by, but independent of, the Corporation, and qualified through Fellowship in the Society of Actuaries and enrollment with the Joint Board for Enrollment of Actuaries (hereinafter referred to as the Actuary). Such contributions or payments for any year may be made not later than the date on which such contributions are required by law to be made for the purpose of crediting such contributions to such year under the minimum funding standards of the Employee Retirement Income Security Act of 1974:

(i) the annual "current service" or "normal cost" contribution attributable to a year's cost accruals

in respect of assumed continuous service after each such anniversary date, and

(ii) the "prior service contribution" computed as that part of the present value, at each such anniversary date, of the prospective pensions payable under the Plan for employees, pensioners and former employees who are entitled to a deferred pension then covered by the Plan which is in excess of:

(aa) the value of the trust fund, as then comprised of any contracts and total other assets, invested and uninvested, such total assets being valued on a basis at least equal to the total cost thereof, plus

(bb) the then present value of the prospective "current service" or "normal cost" contributions determined by the Actuary in accordance with (i) above, such excess part being amortized according to the following schedule:

(1) in respect of the portion of such excess part attributable to the level of benefits in effect prior to October 1, 1979 - the fifty-ninth anniversary of the Corporation's pension plan (October 1, 2009), and

(2) in respect of the portion of such excess part attributable to the increase in the level of benefits established by amendments to the Corporation's pension plan effective on or after October 1, 1979 - the thirtieth anniversary of the date on which such increase in the level of benefits becomes effective.

(c) The Corporation may contribute or pay additional amounts to the trustee or insurance company, or both, under (b) above in any year without such additional amounts being construed to reduce any thirty-year period for the completion of the "prior service contributions" of subsection (b)(ii) above. If the Corporation has contributed any such additional

amounts prior to any anniversary date of the Corporation's pension plan or shall contribute any such additional amounts prior to any anniversary date of the Plan falling within the duration of this agreement, the Corporation may as of such anniversary, contribute a lesser amount than otherwise determined by (b) above for such anniversary, provided that the value of any contracts and total other assets as valued in accordance with (b)(ii)(aa) above at such anniversary shall not be less than the amount estimated by the Actuary to be the value as if contributions and payments up to and including such anniversary date had been made as provided in (b) above and no additional amounts had been contributed or paid prior to such anniversary.

(d) The Corporation by payment of the contributions or amounts as hereinbefore provided in this section shall be relieved of any further liability, except as provided under the Internal Revenue Code, and pensions and supplements shall be payable only from the trust fund or the insured fund or both.

Section 3. Administration

(a) Board of Administration

(1) There shall be established a central Board of Administration hereinafter referred to as the Board, composed of six members, three appointed by the Corporation and three by the Union. Each member of the Board shall have an alternate. In the event a member is absent from a meeting of the Board, the alternate may attend and when in attendance shall exercise the duties of the member. Either the Corporation or the Union at any time may remove a member or alternate appointed by it and may appoint a member or alternate to fill any vacancy among members or alternates appointed by it.

No person shall act as a member of the Board of

Administration or as an alternate for such member unless notice of the appointment has been given in writing by the party making the appointment to the other party.

(2) The Board shall meet at such times and for such periods for the transaction of necessary business as may be mutually agreed upon by its members.

(3) To constitute a quorum for the transaction of business, the presence of four members of the Board shall be required. At all meetings of the Board, the member or members present appointed by the Corporation shall have in the aggregate a total of one vote to be cast on behalf of the Corporation, and the member or members present appointed by the Union shall have in the aggregate a total of one vote to be cast on behalf of the Union.

(4) The compensation and expenses of the Corporation members will be paid by the Corporation and the compensation and expenses of the Union members will be paid by the Union and no part of such compensation or expenses will be paid from the trust fund.

(5) The Corporation shall cause to be furnished to the Board of Administration annually:

(i) A statement as of each anniversary date of the Plan showing in summary form the value of the assets which comprise such fund by general categories of investment, such value being determined on a basis at least equal to the total cost thereof for each such category.

(ii) Such information as to age, sex and service of hourly-rate employees of the Corporation as a whole in the United States and as to the number of pensioners and amount of pensions and supplements by

age groups, as the Board may reasonably require, but in no event shall the Corporation be required to furnish the Board with any data not furnished by the Corporation to the Actuary.

(iii) A report, prepared by the Actuary, in respect of each year's actuarial valuation of the Plan, setting out the following:

(a) the amount of the normal cost contribution and the amount of the payment toward amortization of the actuarial deficiency required in accordance with Section 2(b) hereof.

(b) a statement of the method and the assumptions, such as the interest rate, mortality rates, withdrawal rates, retirement rates, average benefit unit and assumptions used with respect to the survivor benefit, adopted for the valuation for the purposes of Section 2(b) hereof.

(c) the amount, as of each anniversary date, of the gross actuarial deficiency, determined in accordance with Section 2(b) hereof as the present value of the prospective pensions payable under the Plan less the then present value of the prospective normal cost contributions, if any, for (1) retired employees, (2) employees who have separated with retention of deferred pensions, (3) non-retired and non-separated employees, and (4) total.

(d) the amount of assets used in the actuarial valuation, together with a reconciliation of the amount of such assets with the amount used in the preceding valuation.

(e) the amount of the net (unfunded) actuarial deficiency.

(f) the amount by which the value of the trust fund exceeded the amount then required by Section 2(b) hereof to be in such fund.

(g) the extent to which the trust fund assets as of the valuation date would be sufficient to cover the pension liabilities, as determined in accordance with SFAS 87.

(iv) A statement, certified by the Actuary, that the amount of the trust fund is or is not less than the amount then required by Section 2(b) hereof to be in such fund.

(v) A statement setting forth:

(aa) The value of the trust fund computed on the basis of market value as of the previous anniversary date of the Plan.

(bb) Additions during Plan year:

(i) payments by General Motors into the fund

(ii) interest and dividends received by the fund

(iii) net investment gains, and

(iv) total additions.

(cc) Pension payments and supplements to retired employees and surviving spouses during Plan year.

(dd) The value of the trust fund computed on the basis of market value as of the anniversary date of the Plan for the year for which the statement is being submitted.

(vi) A schedule setting forth as of March 31 of each year:

(aa) the amount of investment of the pension fund in residential real estate mortgages, by type, in communities with General Motors plants and in other communities,

(bb) the amount invested in such residential real estate mortgages during the preceding year in comparison with total new money investments during that year, and

(cc) a description of such residential mortgages in which funds were invested during the preceding year, by type, separately by plant city areas and in total for other areas.

(vii) A copy of Form 5500 reports and attendant schedules for the Plan will be furnished as soon as practicable after General Motors has filed such report with the Internal Revenue Service.

(6) The Board of Administration shall have no power to add to or subtract from or modify any of the terms of this agreement or the Plan, nor to change or add to any benefit provided by said agreement or Plan, nor to waive or fail to apply any requirement of eligibility for a benefit under said agreement or Plan.

(7) Any case referred to the Board of Administration on which it has no power to rule shall be referred back to the parties without ruling.

(8) No ruling or decision of the Board of Administration in one case shall create a basis for a retroactive adjustment in any other case prior to the date of written filing of each such specific claim.

(9) There shall be no appeal from any ruling by the Board which is within its authority. Each such ruling shall be final and binding on the Union and its members, the employee or employees involved, and on the Corporation, subject only to the arbitrary and capricious standard of judicial review.

The Union will discourage any attempt of its members and will not encourage or cooperate with any of its members, in any appeal to any Court or

Administrative Board or Agency from a ruling of the Board of Administration.

(b) Impartial Chairperson

(1) The Corporation and the Union shall mutually agree upon and select an Impartial Chairperson, who shall serve until requested in writing to resign by three Board members.

(2) The Impartial Chairperson will not be counted for the purpose of a quorum, and will vote only in case of a failure of the Corporation and the Union by vote through their representatives on the Board to agree upon a matter which is properly before the Board and within the Board's authority to determine; provided that the Impartial Chairperson may vote only on matters involving the processing of individual cases, not on the development of procedures.

(3) The fees and expenses of the Impartial Chairperson will be paid one-half by the Corporation and one-half by the Union.

(c) The Union and Corporation members of the Board of Administration have, in Appendix D, agreed to matters such as but not limited to: (1) procedures for establishing Pension Committees at the Divisions or plants involved; (2) the authority and duties of such Pension Committees; (3) the procedures for reviewing applications for pensions; (4) the handling of complaints regarding the determination of age, service credits, and computation of benefits; (5) procedures for making appeals to the Board; (6) means of verifying service credits to which employees are entitled under the Plan; (7) methods of furnishing information to employees regarding past and future service credits; (8) the amount of time the Union members of the committees may be permitted to leave their work to attend meetings of the Pension Committees; (9) how disputes over total and

permanent disability claims will be handled, including disputes, if any, with respect to whether a disabled pensioner engages in gainful employment; (10) the review of pertinent information about the Plan for dissemination to employees; (11) how pension payments will be authorized by the Board. All such matters are consistent with all other provisions of the Plan and this agreement. The working out of the procedures outlined in this section shall be the responsibility of the Corporation and Union members of the Board, and the Impartial Chairperson shall have no power to decide any question with respect thereto.

(d) Except as provided otherwise in this agreement, the general administration of the provisions of the Plan shall be the responsibility of the Corporation.

(e) The Board and any member of the Board, or the Pension Committees or any member of the Pension Committees, shall be entitled to rely upon the correctness of any information furnished by the Union or the Corporation. Neither the Board nor any of its members, nor the Pension Committees nor any of its members, nor the Union nor any officer or other representative of the Union, nor the Corporation nor any officer or other representative of the Corporation shall be liable because of any act, or failure to act, on the part of the Board or any of its members, or the Pension Committees or any of its members or any person, except that nothing herein shall be deemed to relieve any such individual from any liability for the individual's own fraud or bad faith.

(f) No matter respecting the Plan as modified and supplemented by this agreement or any difference arising thereunder shall be subject to the grievance procedure established in the collective bargaining agreement between the Corporation and the Union, except as expressly provided in Paragraph (46) of such collective bargaining agreement.

(g) Credited service shall be granted an employee who is absent from work pursuant to Paragraph 24 of the National Agreement, or on a leave of absence under Paragraph 109 of the National Agreement if the leave was granted for the purpose of permitting the employee to engage in the business of or to work for the Local Union, or if the leave was granted under Paragraph 109(a) of the National Agreement for the purpose of permitting the employee to engage in the business of or to work for the International Union while on such leave (an employee on leave under the National Agreement solely to permit the employee to be Manager of the credit union sponsored by the Local Union shall be included hereunder, but only with respect to any period while serving in such capacity while on such leave).

An employee eligible for credited service under this section shall be credited with up to 40 hours for each calendar week since October 1, 1950 while on such leave, including compensated hours, provided the employee meets the requirements of the leave; but in no event shall the employee be credited with more than 1700 hours, including compensated hours, in any calendar year.

Section 4. Effect of Retirement on Employment Status and Seniority

(a) An employee who retires or is retired under the terms of the Plan shall cease to be an employee and shall have seniority canceled.

(b) An employee who has been retired on a total and permanent disability pension and who thereby has broken seniority in accordance with subsection (a) above, but, who recovers and has such pension discontinued, shall have seniority reinstated as though such employee had been on a sick leave of absence during the period of such disability retirement, provided,

however, if the period of disability retirement was for a period longer than the seniority the employee had at the date of retirement, the employee shall, upon the discontinuance of such disability pension, be given seniority equal to the amount of seniority at the date of such retirement.

(c) If an employee retired for reasons other than total and permanent disability, who has lost seniority in accordance with subsection (a) above, is rehired, such employee will have the status of a new employee.

Section 5. Supplements

Notwithstanding any other provisions of the Plan, an employee who retires with benefits payable commencing on or after October 1, 2003 while on an approved leave of absence requested by the International Union to permit such employee to engage in the business of or to work for the International Union, shall not be prevented from receiving benefits under Section 6 of Article II of the Plan solely because the last day worked for the Corporation was not within five years of the date the employee's pension benefits commence.

Section 6. Deduction of Union Dues

(a) Notwithstanding any other provisions of the Plan, any retired employee entitled to receive a pension or supplement may, pursuant to the retired employee's written authorization and direction acceptable to the Corporation, authorize the deduction of monthly Union dues from any monthly pension or supplement otherwise payable and direct that such dues be remitted to the Union.

Any surviving spouse of a retired employee entitled to receive a monthly benefit may, pursuant to the

surviving spouse's written authorization and direction acceptable to the Corporation, authorize the deduction of monthly associate dues donation from any monthly benefit otherwise payable and direct that such dues be remitted to the Union.

(b) An authorization to deduct said monthly Union or associate dues shall become effective as of the first of the second month following the month in which the Corporation receives such authorization from the Union, and shall remain in full force and effect until revoked by the retired employee's or surviving spouse's written notice given to the Corporation, except that during any period when there is not in effect a written collective bargaining agreement or supplement thereto between the Corporation and the Union which permits or provides for the deduction of Union or associate dues from monthly pension benefits payable to a retired employee or surviving spouse, such assignment, authorization and direction, if otherwise in effect, shall automatically be suspended for the duration of such period only.

(c) The Union shall indemnify and hold harmless the Corporation against any and all liability, including reasonable attorney's fees, that may arise by reason of the Corporation's compliance with this Section 6.

(d) This Section 6 shall be of no force or effect during any month for which less than one thousand such authorizations are in effect.

Section 7. Voluntary Political Contributions

(a) Notwithstanding any other provisions of the Plan, any retired employee or surviving spouse entitled to receive a pension benefit may, pursuant to the retired employee's or surviving spouse's written authorization and direction acceptable to the Corporation, authorize the deduction of monthly Voluntary Political Contributions from any monthly pension benefit

otherwise payable and direct that such deduction be remitted to the Union.

(b) The Union shall indemnify and hold harmless the Corporation against any and all liability, including reasonable attorney's fees, that may arise by reason of the Corporation's compliance with this Section 7.

(c) The Corporation and the Union have agreed that the provision for deduction of Voluntary Political Contributions will be implemented as set forth in the Memorandum of Agreement regarding Voluntary Political Contributions set forth in the 2003 National Agreement between the Corporation and the Union.

Section 8. Foundry Jobs

Any job classification put into effect after September 14, 1973 at a plant identified in Appendix B of the Plan, shall be designated by written agreement between the parties as a foundry job if such classification (a) supersedes or replaces a job classification previously designated as a foundry job for such plant, and (b) becomes applicable to employees who perform substantially the same work as had been performed by employees while on a job classification previously designated as a foundry job for such plant.

Section 9. Duration of Agreement

This agreement shall continue in effect until the termination of the collective bargaining agreement of which this is a part.

In witness hereof, the parties hereto have caused this agreement to be executed the day and year first above written.

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
Ron Gettelfinger	G. Richard Wagoner, Jr.
Richard Shoemaker	Gary L. Cowger
Jim Beardsley	Troy A. Clarke
Henderson Slaughter	John R. Buttermore
Joe Spring	Dean W. Munger
Bill Stevenson	Thomas A. Croskey
Dave Curson	Francis S. Jaworski
Jim Shroat	Carleton V. Matzelle
Ron Bieber	Gary N. Pheley
Scott Campbell	Jean L. Rose
Antonio Ortiz	Arthur R. Schwartz
Tom Walsh	Jay C. Wilber
Tom Weekley	L. L. Williams
Willie Williams	Rex R. Blackwell
Leon Skudlarek	John P. Cardiero
Esther Campbell	Leon P. Cornelius
Harold Cox	Donald E. Frazier
Greg Fedak	Anita Riddle Johnson
Mark Kelly	Larry E. Knox
Faye McAfee	Terry Lee
Rick McKiddy	Cheryl A. Ollila
Paul Mitchell	Alejandro J. Perez
Harold Shelton	D. Scott Sandefur
David Shoemaker	John L. Behnfeldt
Lawrence Smith	Bruce E. Bradley
Maurice Staten	W. Gary Bryant
Cindy Suemnick	Kevin W. Cobb
Larry Szumal	Stuart R. Cohen
Ron Brogan	Preston M. Crabill
Bob Bueno	Leigh J. Dushane
Midge Collette	Andrea M. Ebbitt
Mark Hawkins	Ruth V. Fluegge
Jim Jenkins	Daniel G. Galant
Lee Jones	Michael A. Hall
Mike Jones	Ralph E. Hanson
Larry Kuk	David T. Hosea
Rick O'Donnell	Michael G. Houghton
Darrell Shepard	Elizabeth A. Keys
Clyde Sims	James W. LaLonde
Ray Allen	Terry J. McDougall
Paul Allmand	Robert D. Moroni
Gordon Andrews	Daniel J. Osborne
Nate Beardsley	Joseph J. Piechocki

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
Charlie Best	Mark C. Pieroni
Jim Blaine	Edward W. Risko
Ron Blythe	Gregory Spalding
Joan Bryant	Jennie F. Spring
Rebecca Cabreros	Michael Taylor
Patti Campbell	J. Mike White
Debbie Chamberlain	Janice M. Whitehouse
Jerry Chotkowski	Ava D. Aubrey
James Ciotti	James F. Ball
Jerry Clifton	Renee M. Barone
Jim Clifton	Rebecca L. Beamish
Tim Cobb	Steven L. Blackmer
Charlie Coy	Maria Bogatay
Bryan Czape	Paul E. Brasseur
Shelley Czeizler	Peter J. Buczek
Steve Czerneski	Rosemarie C. Bush
George Dakuras	Derrick Campbell
Dick Diffin	Maria T. Cantu
Terry Dolan	Magdalena T. Chavez
Don Douglas	David R. Ciesco
Dave Dremer	Robert J. Cleghorn
Scott Farraday	Michael V. Coletta
John Fedewa	Bruce R. Cooper
Tom Ford	Thomas L. Cragg
Bill Freeman	Eva J. Csendes
Ron Graham	James P. Davis
Moses Green	David W. Demko
Mike Grimes	Rita Derencius
Charlie Gross	Diane M. Downs
Leslie Haliburton	Michael J. Douglas
Frank Hammer	Edward L. Driver
Bill Hayes	Kevin B. Duff
Ken Holder	Randi C. Dulaney
Diana Hrovatin	Joan M. Ebner
Mohammed Isa	Anthony Echols
Dave Kagels	Harry Fischer
Jim King	Patrick R. Frazee
Tom Kinman	Kit Frohardt-Lane
Pete Korolenko	Dawn D. Gallinger
Dave Koscinski	Diana Gowing
Dan Lack	Cynthia M. Haley
James Lake	Robert T. Hart
Diane Lawton	Sandra A. Heard
Randy Lentz	Valerie Howard

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
REG MCGEE	JAN HUBBELL
STEVE MCLIMANS	SONDRA P. HUDDLESTON
GREG NELSON	THOMAS J. IRELAND
DON NEWTON	JOSEPH L. JARJOSA
KRIS OWEN	THOMAS F. JELENEK
ED PARKER	BARRY R. JOHNSON
LINDA PATTON	JEFFREY W. JOHNSON
RITA PERSINGER	LESLIE E. JONES
STEVE RAICH	DAVID S. KADY
FRED RASPBERRY	DONALD KARPINSKI
BONNI REFFITT	JAMES J. KEENAN
LORENZO RIVERA	MICHAEL W. KENERSON
JOHN RUPP	RICHARD J. KILLEWALD
RUSS RUSSAW	WILLIAM B. KILGORE
BILL SAVAGE	CYNTHIA KIRMAN
JIM SAYLOR	JO ANN KITCHEN
RENE SCHUTTE	DARYL L. KLINKO
BILL SCRASE	DAVID A. KUNKLE
DARRELL SMITH	ELIZABETH M. LAMARRA
JAMES STEVENS	TIMOTHY H. LEE
STAN STOKER	TIFFANIE Y. LEWIS
TOM STRUCKMAN	SONJA J. LEWIS-SHELLS
CRICKETT SWEET	TED M. MAKOWIEC
LIBBY TOMASKO	GWENDOLYN D. MALONE
EDDIE TRENT	PAMELA M. MARTIS
KENNY VANHORN	MARK R. MCCARTHY
DWAYNE WALDROP	DENISE MCDONALD
RON WALKER	TIMOTHY J. MCDONALD
JOANNA WHITAKER	SALLY MCMAHON-JONES
MICHAEL WILSON	DAVID P. MIDDLETON
AL YELLE	EDWARD G. MOHR
	ANDREA V. OHINS
	SUSAN M. PANG
	CHE B. PETERSON
	BRIAN J. PFAFF
	SHARRI R. PHILLIPS
	RICHARD E. POMPA
	JOANNE M. PRITCHARD
	JULIE D. PUTRICH
	MICHAEL W. RALEIGH
	KIMBERLY REED-THOMAS
	SHAWN M. REYNOLDS
	ROBERT R. RIEGLE
	ANTHONY J. ROBERTS, JR.

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
	GERALD H. SAMUELIAN
	KATHRYN A. SAWATZKI
	MICHELLE SCHEER
	SHARON A. SCRIVEN
	BRUCE W. SMITH
	MICHAEL D. SOUTHWELL
	CRAIG A. SPECKMANN
	MONICA J. SWART
	RENAE L. TALLON
	AMBER R. TAYLOR
	DAVID L. THORPE
	LOIS VAN LENTE
	CARL A. VEREEN
	SHELLY L. VOLLING
	PAUL WEHRWEIN
	LAWRENCE J. WHETSTONE, JR.
	TOM W. WICKHAM
	MARY E. WILLIAMS
	SHERRY H. WILLIAMS
	CHARLES E. WRIGHT
	MICHELLE A. YUCHA
	BRIAN E. ZIELINSKI

EXHIBIT A-1

THE GENERAL MOTORS HOURLY-RATE EMPLOYEES PENSION PLAN

ARTICLE I

ESTABLISHMENT OF THE PLAN

General Motors Corporation on behalf of itself and its Divisions and as agent for certain of its directly or indirectly wholly-owned and substantially wholly-owned domestic subsidiaries in accordance with I.R.C. Section 414(b), (c), and (m) will establish, subject to the approval of its Board of Directors, a pension fund either by a trust agreement with a trustee or trustees or by contract with an insurance company or insurance companies, or both, and with respect thereto shall make such payments or contributions as will be sufficient to maintain the fund on a sound actuarial basis as well as to pay expenses incident to the operation and management of the Plan.

Except as expressly provided in Sections 6, 7, and 8 of Article II and as provided in Article VII and Article IX, the provisions set forth in this Plan are applicable only to employees with seniority on or after October 1, 2003. Employees retired with benefits commencing prior to such date or separated prior to such date, or eligible surviving spouses of such employees, shall be entitled to the benefits, if any, under the Plan as it existed immediately prior to such date.

Notwithstanding the paragraph immediately above, employees who retired with benefits commencing after September 14, 2003, and prior to October 1, 2003, pursuant to the provisions of Article II of the Plan, shall be considered for purposes of Article II herein as having retired with benefits payable commencing on or after October 1, 2003; the surviving spouse of any employee who died after September 14, 2003 and prior to October 1, 2003, who is otherwise eligible for monthly benefits under the Plan, shall be considered entitled to monthly benefits pursuant to Section 5 of Article II herein; and

any such employees shall be considered eligible for credited service under Article III herein.

ARTICLE II

ELIGIBILITY FOR RETIREMENT AND AMOUNT OF PENSIONS

Section 1. Normal Retirement

Any employee who has attained age 65 and ceases active service shall be entitled to receive a pension based upon the employee's credited service. Any employee who elects to continue to work full time for the Corporation beyond age 65 will be notified that, while such employee has entitlement to a normal retirement benefit at age 65, such benefit is suspended and will not be paid while such employee works for the Corporation beyond age 65.

Section 2. Early Retirement

(a) (1) An employee who has attained age 60 but not age 65, and who has 10 or more years of credited service, may retire at the option of the employee.

(2) An employee who has attained age 55 but not age 60, and whose combined years of age and years of credited service (to the nearest 1/12 in each case) shall total 85 or more, may retire at the option of the employee.

(3) An employee who has 30 or more years of credited service may retire at the option of the employee.

(b) An employee who has attained age 55 (age 50 for an employee who is laid off on or after October 1, 1984 as a result of a plant closing where no other General Motors plants are in the same geographical

area) but not age 65 and who has 10 or more years of credited service may be retired under mutually satisfactory conditions as set forth hereinafter in the Standards applicable to such retirement.

Section 3. Total and Permanent Disability Retirement

(a) An employee who is totally and permanently disabled prior to attaining age 65, and has at least 10 years of credited service, shall be eligible for a disability pension as hereinafter provided. An individual who is not an employee with seniority is not eligible to apply for total and permanent disability retirement.

(b) An employee shall be deemed to be totally and permanently disabled only if the employee is not engaged in regular employment or occupation for remuneration or profit and on the basis of medical evidence satisfactory to the Corporation the employee is found to be wholly and permanently prevented from engaging in regular employment or occupation with the Corporation at the plant or plants where the employee has seniority for remuneration or profit as a result of bodily injury or disease, either occupational or nonoccupational in cause, but excluding disabilities resulting from service in the armed forces of any country unless the employee becomes totally and permanently disabled after accumulating at least 5 years of seniority following separation from service in the armed forces.

(c) Any disability pensioner may be required to submit to medical examination at any time during retirement prior to age 65, but not more often than semi-annually, to determine whether the pensioner is eligible for continuance of the disability pension. If on the basis of such examination it is found that the pensioner is no longer disabled or if the pensioner engages in gainful employment, except for purposes of rehabilitation as

determined by the Corporation, the pensioner will be deemed recovered and such disability pension will cease. In the event the disability pensioner refuses to submit to medical examination the pension will be discontinued until the pensioner is examined.

(d) Employees who retire under this Section 3 shall, upon attaining age 65, be reclassified to a normal retirement.

Section 4. Amount of Pensions

(a) (1) The monthly pension payable to an employee retired pursuant to the provisions of Sections 1, 2, or 3 of this Article II with benefits payable commencing on or after October 1, 2003, shall be a basic benefit for each year of credited service that the employee had at the date of retirement, determined by the applicable Benefit Class Code and based on the month for which payment is being made as set forth in the table immediately following:

Retires With Benefits Payable Commencing	Benefit Class Code	Basic Benefit Rate Per Year of Credited Service For Months Commencing			
		10-1-03 through 9-1-04	10-1-04 through 9-1-05	10-1-05 through 9-1-06	10-1-06 and After
		$	$	$	$
October 1, 2003 and After	A	47.75	48.80	49.85	50.90
	B	48.00	49.05	50.10	51.15
	C	48.25	49.30	50.35	51.40
	D	48.50	49.55	50.60	51.65

(2) The monthly pension benefit payable to an employee who retires at the employee's option at a date selected by the employee shall be multiplied by a percentage as set forth in the following table:

Age When Pension Commences	Percentage*
42	21.0%
43	22.6
44	24.3
45	26.1
46	28.2
47	30.4
48	32.8
49	35.4
50	38.3
51	41.5
52	45.0
53	48.9
54	53.2
55	57.9
56	63.5
57	69.4
58	75.2
59	80.8
60	86.7
61	93.3
62 or over	100.0

** Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.*

If an employee:

(i) with 30 or more years of credited service retires at the employee's option, or

(ii) whose combined years of age and years of credited service (to the nearest 1/12 in each case) shall total 85 or more retires at the employee's option,

the monthly basic benefits otherwise payable to such employee after age 62 and one month shall be redetermined without any such reduction.

(3) The basic benefit payable in any month will not be reduced below an amount which results in the early retirement supplement paid to a participant in such month, under Article II, Section 6(a)(1), exceeding the old age insurance benefits, unreduced on account of age, payable under Title II of the Social Security Act, as amended.

(b) A temporary benefit for each year of credited service up to 30 shall be payable in addition to the monthly basic pension payable to an employee retired under mutually satisfactory conditions, or totally and permanently disabled pursuant to Section 2(b) or Section 3 above, as set forth in the table immediately following:

	Monthly Temporary Benefit Amount	
Retires With Benefits Payable Commencing	Per Year of Credited Service	Maximum
	$	$
October 1, 2003 through September 1, 2004	45.75	1,372.50
October 1, 2004 through September 1, 2005	47.05	1,411.50
October 1, 2005 through September 1, 2006	48.50	1,455.00
October 1, 2006 and After	49.80	1,494.00

(c) The monthly temporary benefit determined in (b) above shall be payable until age 62 and one month, or until the age at which the employee becomes or could have become eligible for a Federal Social Security benefit for disability or an unreduced Federal Social Security benefit for age. At such age the temporary benefit shall cease to be payable.

(d) An employee who is discharged for cause after such employee is eligible to retire at the employee's option under Section 2(a) of this Article II shall be entitled to the benefits provided under Section 4(a) of this Article II.

(e) The amount of any monthly pension benefit otherwise payable to the employee at retirement, or earlier commencement, will be reduced by the value of any past and future benefits paid or payable to any alternate payee(s) under a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p).

The actuarial value will be used to determine any amount to be paid to any such payee(s), if applicable, and the remaining benefit entitlement of the employee.

Section 5. Pension Benefits to Employee's Surviving Spouse

(a) In lieu of the monthly basic benefit otherwise payable, an employee who retires pursuant to the normal, early or total and permanent disability retirement provisions of this Article II, or who breaks seniority and is eligible for a deferred pension pursuant to the provisions of Section 2 of Article VII hereof, shall be deemed to have elected automatically a reduced amount of monthly basic benefit to provide that, if the designated spouse shall be living at the employee's death after such election shall have become effective, a survivor benefit shall immediately be payable to such spouse commencing on the first of the month following

the employee's death and such survivor benefit shall be payable during the spouse's further lifetime. In the event (1) such spouse predeceases such employee, or (2) they are divorced by court decree and (i) a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p) so provides, or (ii) written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, such employee may cancel the survivor benefit election and have the monthly basic pension benefit restored to the amount payable without such election, effective (i) the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's death (for deaths on or after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of the death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death), or (ii) the first day of the third month following the month in which the Corporation receives such employee's written revocation of the election because of divorce, on a form approved by the Corporation and accompanied by evidence satisfactory to the Corporation of a final decree of divorce.

The automatic election provided in this subsection (a) shall become effective on the later of (i) the commencement date of the employee's monthly pension benefit, (ii) the first day of the month following the month in which the employee attains age 55 (except that this item (ii) shall not apply to an employee with 30 or more years of credited service or to an employee who retires with benefits payable prior to age 55 pursuant to Section 2(b) of this Article II), or (iii) the one-year anniversary of the marriage.

An employee may prevent the automatic election provided in this subsection (a) during the 90-day period

prior to the effective date of such automatic election as provided in the paragraph immediately above by executing a specific written rejection of such election, which includes the written consent of the employee's spouse that acknowledges the effect of the rejection, and that is witnessed by a notary public, on a form approved by the Corporation and filing it with the Corporation.

Information regarding this coverage is included in the summary plan description, which will be provided to each employee. Within a period of not greater than 90 days and not less than 30 days prior to the annuity starting date, each participant shall be provided a written explanation of: (i) the terms and conditions of the surviving spouse coverage; (ii) the participant's right to make and the effect of an election to waive the surviving spouse coverage; (iii) the rights of the participant's spouse; and (iv) the right to make and the effect of revocation of a previous selection to waive the surviving spouse coverage.

(b) The beneficiary of a survivor benefit election shall be only the person who is the employee's spouse at such time and who has been such spouse for at least one year immediately prior to the effective date of such election.

(c) A survivor benefit election shall be revoked automatically upon the death of the employee or the designated spouse, or both, prior to the effective date of the election.

(d) A survivor benefit election shall be irrevocable at and after its effective date if the employee and the designated spouse shall be living at such date, except as otherwise provided in Section 5(a) of this Article II.

(e) For an employee who makes a survivor benefit election pursuant to Section 8(g) or who is deemed to have made such election under this Section 5, the

reduced amount of the monthly basic benefit referred to in (a) above shall be equal to an amount determined by multiplying the monthly basic benefit otherwise payable to the employee by 95% if the employee's age and the eligible spouse's age are the same; except that, in the case of an employee whose basic benefits are subject to redetermination at age 62 and one month the amount of reduction in the monthly basic benefit before such age for the survivor benefit election shall be based on the monthly basic benefit payable to such employee after age 62 and one month. Such percentage shall be increased by one-half of one percent (1/2%) (up to a maximum of 100%) for each 12 months in excess of five (5) years that the spouse's age exceeds the employee's age and shall be decreased by one-half of one percent (1/2%) for each 12 months in excess of five (5) years that the spouse's age is less than the employee's age.

(f) (1) The survivor benefit payable to the surviving spouse of a retired employee, or an employee who breaks seniority on or after October 1, 2003 and is eligible for a deferred pension, who has completed an election or who is deemed to have made an election under this Section 5 and who dies after such election becomes effective, will be calculated as follows:

(i) for employees who retire or retired on or after November 1, 1976, or break seniority on or after October 1, 1999, the surviving spouse benefit shall be a monthly benefit for the further lifetime of such surviving spouse equal to 65% of the reduced amount of such employee's monthly basic benefit as determined in (e) above.

(ii) for employees who have retired and whose surviving spouse elections became effective on or after September 1, 1964, but prior to November 1, 1976, the surviving spouse benefit shall be a monthly benefit

for the further lifetime of such surviving spouse equal to 60% of the reduced amount of such employee's monthly basic benefit.

(iii) for employees who have retired and whose surviving spouse elections became effective prior to September 1, 1964, the surviving spouse benefit shall be a monthly benefit for the further lifetime of such surviving spouse equal to 55% of the reduced amount of such employee's monthly basic benefit.

(2) Notwithstanding the foregoing provisions of Section 5(f)(1):

(i) surviving spouses of former employees receiving or eligible to receive deferred vested benefits who broke seniority prior to October 1, 1999 are not covered by this Article II, Section 5(f), and

(ii) surviving spouses of retirees who died prior to age 55 and who are receiving, or are eligible to receive, benefits in accordance with Article II, Section 10, are not covered by the provisions of this Article II, Section 5(f).

(3) Notwithstanding the above, the survivor benefit payable to the surviving spouse of an employee whose basic benefits are subject to redetermination at age 62 and one month pursuant to Section 4(a) of this Article II, shall be based on the monthly basic benefit payable to such employee after age 62 and one month.

(g) The surviving spouse of an employee

(i) who dies on or after attaining age 65, or on or after attaining age 55 and after the employee is eligible to retire at the employee's option under Section 2(a)(1) or 2(a)(2) of this Article II, or at any age with 30 or more years of credited service, but before the first day of the month following the date on which the employee retires or before the commencement date of

the employee's monthly pension in the case of an employee who retires and defers the receipt of the monthly pension, and

(ii) who, if the employee had retired at the date of death, would have been eligible for the election under subsection (a) of this Section 5, shall immediately be entitled to a monthly benefit during the spouse's lifetime, terminating with the last monthly payment before the spouse's death. The monthly benefit payable to the surviving spouse shall be the amount such spouse would have been entitled to receive under subsection (f) of this Section 5, if the employee had retired on the date of death under Sections 1, 2(a)(1), 2(a)(2) or 2(a)(3), whichever is applicable, of this Article II with benefits commencing the first of the following month and had effectively made the election under subsection (a) of this Section 5.

(h) The death of an otherwise eligible employee who has:

(i) been on disability leave prior to being continuously and totally disabled for a period of five months, and whose death was directly or indirectly a result of the condition which gave rise to the disability leave of absence (for example, excluding death as a result of homicide, suicide, or accidental death), and who has applied prior to death for retirement under Section 3 of this Article II, except that, effective October 1, 2003, in the case of an occupational injury or disease incurred in the course of employment with the Corporation resulting in death, the leave of absence requirement shall not apply, or

(ii) retired under Section 3 of this Article II, occurring on or after attaining age 55, but before the first day of the month following the date of death,

shall not disqualify an otherwise eligible surviving

spouse from receiving a benefit hereunder.

(i) In no event may an election for survivor benefits be made or changed after the death of the employee.

Section 6. Supplements

(a) An employee who retires under Section 2 (other than an employee referred to in Section 4(d) of this Article II, unless the Corporation or an Impartial Umpire under an applicable collective bargaining agreement determines the discharge should not result in the employee being ineligible for benefits under this Section 6), or Section 3 of this Article II, and who retires within five years of the last day worked for the Corporation will receive, in addition to the pension, certain supplements as set forth below:

(1) If the employee retires under Section 2 or Section 3 of this Article II with 30 or more years of credited service at the date of retirement, such employee shall be entitled to a monthly early retirement supplement until age 62 and one month in an amount which when added to the monthly pension under this Plan will equal the amount of total monthly benefit provided in the table set forth below, subject to subsequent provisions of this Section 6:

Retires With Benefits Payable Commencing	Total Monthly Benefit Rate For Determining Monthly Early Retirement Supplement Prior to Age 62 and One Month For Retirements With 30 or More Years of Credited Service			
	10-1-03 through 9-1-04	10-1-04 through 9-1-05	10-1-05 through 9-1-06	10-1-06 and After
	$	$	$	$
October 1, 2003 and After	2.805	2.875	2.950	3.020

(2) If the employee retires at the employee's option after attaining age 55 with benefits payable commencing on or after October 1, 2003 with less than 30 years of credited service, such employee shall be entitled to a monthly interim supplement until the attainment of age 62 and one month equal to the amount provided immediately below for each year of credited service that such employee had at the date of retirement, subject to the provisions of (b), (e) and (g) of this Section 6:

Age at Retirement	Monthly Amount* and Effective Date of Interim Supplement Payable Prior to Age 62 and One Month for Each Year of Credited Service			
	Retires With Benefits Payable Commencing on or After October 1, 2003			
	10-1-03 through 9-1-04	10-1-04 through 9-1-05	10-1-05 through 9-1-06	10-1-06 and After
	$	$	$	$
55	20.10	20.70	21.35	21.90
56	23.75	24.45	25.20	25.85
57	28.70	29.50	30.45	31.25
58	33.65	34.60	35.70	36.60
59	37.55	38.60	39.85	40.85
60	43.45	44.70	46.10	47.30
61	43.45	44.70	46.10	47.30

** Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.*

(b) The early retirement supplement under provision (a)(1) of this Section 6 for an employee who retires at the employee's option shall be calculated assuming that the basic pension commences immediately after retirement, and such early retirement supplement and the interim supplement under provision (a)(2) of this Section 6 shall be reduced for any month prior to age 62 and one month, for which the employee becomes or could have become eligible for a Federal Social Security benefit, by an amount equal to the amount of the temporary benefit to which the employee would have been entitled if retired under Section 2(b) of this Article II.

(c) The early retirement supplement under provision (a)(1) of this Section 6 for an employee who retires under Section 2(b) or Section 3 of this Article II

shall be calculated on the assumption that the employee will receive a temporary benefit until age 62 and one month, even if such temporary benefit is not received by the employee until such age because of entitlement to Social Security Benefits.

(d) The early retirement supplement under provision (a)(1) of this Section 6 for an employee who does not prevent the automatic election of the surviving spouse coverage provided under Section 5 of this Article II shall be calculated on the basis of the monthly pension the employee would have received if the employee had prevented such automatic election.

(e) Any of the supplements to which an employee is entitled shall commence on the first day of the month following the date on which the employee retires and shall be payable monthly thereafter until and including the first day of the month in which the employee (1) dies, (2) has the pension cease for any other reason, (3) is reemployed by the Corporation, or (4) attains age 62 and one month, whichever occurs first.

(f) If a retired employee has been receiving a pension under Section 3 of this Article II and has been receiving a supplement and, on the basis of medical evidence satisfactory to the Corporation, it is found that such employee is no longer totally and permanently disabled and seniority is restored, or if such employee is reemployed by the Corporation, such employee shall not thereby forfeit any right thereafter to receive a supplement if such employee thereafter retires under this Pension Plan.

(g) If the total of the employee's monthly pension under this Pension Plan and the monthly early retirement supplement or interim supplement receivable as computed above would exceed 70% of the employee's final base pay, such monthly supplement (but not the monthly pension) shall be reduced to the

extent required so that such monthly pension plus the supplement will equal 70% of the employee's final base pay. For this purpose, an employee's final base pay shall mean 173 1/3 times the employee's Base Hourly Rate as defined in Article X.

Section 7. Special Benefit

(a) A retired employee, or a surviving spouse, (i) age 65 or older, or (ii) under age 65 and enrolled in the voluntary "Medicare" coverage that is available under the Federal Social Security Act by making contributions (in either case excluding the spouse of a former employee who received a deferred vested pension benefit under Article VII of the Plan), who is receiving a monthly benefit under Article II of the Plan which commenced prior to October 1, 1979, subject to (d) below, shall receive a monthly special benefit equal to:

(i) $58.70 for months commencing on or after January 1, 2003, and

(ii) the lesser of the generally applicable Medicare Part B premium, or $76.20 for months commencing on or after January 1, 2004.

(b) In no event shall such payment commence prior to the first day of the month following the earlier of (i) the month during which age 65 is attained, or (ii) for enrollments effective prior to October 1, 2003, receipt by the Corporation of application on a form provided for this purpose from an otherwise eligible individual under age 65; except that, with respect to an otherwise eligible individual under age 65, payment shall commence with the first month of such enrollment, but in no event prior to October 1, 1979.

(c) Not more than one such payment shall be made to any individual for any one month. No such payment shall be made to any individual under age 65

for any month such individual is not enrolled for such voluntary "Medicare" coverage. No such payment shall be made under this Plan to any individual who retires with benefits payable commencing on or after October 1, 1979.

(d) The special benefit payable to an individual who is not enrolled in "Medicare" Part B as of October 1, 1990, but who was receiving a special benefit, is limited to $28.00 per month. Such an individual will become entitled to the schedule of payments in subsection (a) above, upon proof of enrollment in "Medicare" Part B. Thereafter, continued receipt of a special benefit will be contingent on maintenance of "Medicare" Part B enrollment.

(e) For an individual enrolled in "Medicare" Part B as of October 1, 1990, or who first becomes eligible for "Medicare" Part B on or after October 1, 1990, receipt of a special benefit on and after January 1, 1991 is contingent upon continued enrollment in "Medicare" Part B.

Section 8. Benefits for Employees Who Retired With Benefits Payable Commencing Prior to October 1, 2003

An employee who retired under Article II of the Plan with benefits payable commencing prior to October 1, 2003, or the eligible surviving spouse of such an employee, shall be entitled to the benefits, if any, under the Plan as it existed immediately prior to October 1, 2003.

(a) (1) Benefits payable to such retired employees or surviving spouses shall be equal to the benefits payable to the employee after age 65 based on the following table:

Retired With Benefits Payable Commencing	Class Code	Basic Benefit Rate Per Year of Credited Service For Months Commencing October 1, 2003 and After
Prior to October 1, 1984	N/A	$ 26.50*
October 1, 1984 through September 1, 1985	A	27.50
	B	27.75
	C	28.00
	D	28.25
October 1, 1985 through September 1, 1986	A	27.60
	B	27.85
	C	28.10
	D	28.35
October 1, 1986 through September 1, 1987	A	27.70
	B	27.95
	C	28.20
	D	28.45
October 1, 1987 through September 1, 1988	A	30.70
	B	30.95
	C	31.20
	D	31.45
October 1, 1988 through September 1, 1989	A	30.80
	B	31.05
	C	31.30
	D	31.55
October 1, 1989 through September 1, 1990	A	30.90
	B	31.15
	C	31.40
	D	31.65
October 1, 1990 through September 1, 1993	A	34.10
	B	34.35
	C	34.60
	D	34.85
October 1, 1993 through September 1, 1996	A	37.10
	B	37.35
	C	37.60
	D	37.85
October 1, 1996 through September 1, 1999	A	40.50
	B	40.75
	C	41.00
	D	41.25
October 1, 1999 and prior to October 1, 2003	A	46.70
	B	46.95
	C	47.20
	D	47.45

** Including, if applicable, $1.00 waived for election of a special survivor option.*

(2) Benefits payable to employees retired on and after October 1, 1973, shall be based on the Benefit Class Code applicable to the employee, determined as though the maximum base hourly rate of the employee's job classification had included the amount of any wage inequity adjustment made applicable to such job classification on or after September 14, 1973, and prior to the employee's loss of seniority.

(3) If an employee whose monthly basic benefit otherwise would have been redetermined at age 62 attains age 62 on or after March 1, 1982, such redetermination shall be effective at age 62 and one month.

(b) Any temporary benefits payable to such retired employees until age 65 if retired with benefits payable commencing before March 1, 1974, or age 62 if retired with benefits payable commencing on or after March 1, 1974, or age 62 and one month for a retired employee who attains age 62 on or after March 1, 1982, or, in any case, if earlier, until the age at which the employee becomes or could have become eligible for a Federal Social Security benefit for disability or an unreduced Federal Social Security benefit for age shall be equal to the temporary benefits payable to the employee prior to such age 65 (or age 62 or age 62 and one month) or earlier age based on the following table:

Retired With Benefits Payable Commencing	Monthly Temporary Benefit Amount*	
	Per Year of Credited Service	Maximum
	$	$
Prior to September 1, 1964	14.90	372.50
September 1, 1964 and prior to October 1, 1967	15.40	385.00
October 1, 1967 and prior to October 1, 1970	15.65	391.25
October 1, 1970 and prior to March 1, 1974	16.15	403.75
March 1, 1974 and prior to October 1, 1976	17.15	428.75
October 1, 1976 and prior to October 1, 1978	17.65	441.25
October 1, 1978 and prior to October 1, 1979	18.65	466.25
October 1, 1979 and prior to October 1, 1980	19.65	491.25
October 1, 1980 and prior to October 1, 1981	20.65	516.25
October 1, 1981 and prior to January 1, 1983	21.65	541.25
January 1, 1983 and prior to October 1, 1985	21.65	649.50
October 1, 1985 and prior to October 1, 1986	22.65	679.50

* *Benefit payable for months commencing October 1, 2003*

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Retired With Benefits Payable Commencing	Monthly Temporary Benefit Amount*	
	Per Year of Credited Service	Maximum
October 1, 1986 and prior to October 1, 1987	$ 23.65	$ 709.50
October 1, 1987 and prior to October 1, 1988	23.85	715.50
October 1, 1988 and prior to October 1, 1989	24.95	748.50
October 1, 1989 and prior to October 1, 1990	26.05	781.50
October 1, 1990 and prior to October 1, 1991	28.40	852.00
October 1, 1991 and prior to October 1, 1992	30.60	918.00
October 1, 1992 and prior to October 1, 1993	32.70	981.00
October 1, 1993 and prior to October 1, 1994	33.40	1,002.00
October 1, 1994 and prior to October 1, 1995	34.35	1,030.50
October 1, 1995 and prior to October 1, 1996	35.50	1,065.00
October 1, 1996 and prior to October 1, 1997	35.75	1,072.50
October 1, 1997 and prior to October 1, 1998	37.00	1,110.00

** Benefit payable for months commencing October 1, 2003*

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Retired With Benefits Payable Commencing	Monthly Temporary Benefit Amount*	
	Per Year of Credited Service	Maximum
October 1, 1998 and prior to October 1, 1999	$ 38.65	$ 1,159.50
October 1, 1999 and prior to October 1, 2000	38.85	1,165.50
October 1, 2000 and prior to October 1, 2001	40.45	1,213.50
October 1, 2001 and prior to October 1, 2002	42.35	1,270.50
October 1, 2002 and prior to October 1, 2003	44.45	1,333.50

** Benefit payable for months commencing October 1, 2003.*

(c) (1) An employee who retired under Article II of this Plan with 30 or more years of credited service who is receiving a monthly early retirement supplement which commenced prior to October 1, 2003 shall receive an early retirement supplement, as follows:

Retired With Benefits Payable Commencing	Payable to Age 62 and One Month
Prior to October 1, 1984	$ 1,425.00
October 1, 1984 and prior to October 1, 1985	1,520.00
October 1, 1985 and prior to October 1, 1986	1,530.00

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Retired With Benefits Payable Commencing	Payable to Age 62 and One Month
	$
October 1, 1986 and prior to October 1, 1987	1,540.00
October 1, 1987 and prior to October 1, 1988	1,785.00
October 1, 1988 and prior to October 1, 1989	1,795.00
October 1, 1989 and prior to October 1, 1990	1,805.00
October 1, 1990 and prior to October 1, 1993	2,030.00
October 1, 1993 and prior to October 1, 1996	2,200.00
October 1, 1996 and prior to October 1, 1999	2,385.00
October 1, 1999 and prior to October 1, 2003	2,730.00

The amount of any monthly supplement payable to an employee who retired under Article II of the Plan with benefits commencing prior to October 1, 2003 shall be redetermined to the amount of supplement which would have been payable had the applicable benefit rates set forth in this Section 8 been in effect when such employee's benefits commenced. If such retired employee is entitled as of October 1, 2003 to receive Social Security benefits, and became so entitled before October 1, 2003, any increase in the temporary benefit provided in provision (b) of this Section 8 shall not be considered in redetermining the supplement until the retired employee ceases to be so entitled.

(2) An employee who retired under Article II of this Plan at the employee's option after attaining age 55 with less than 30 years of credited service who is receiving an interim supplement which commenced prior to October 1, 2003 shall receive, for months commencing on and after October 1, 2003, an interim supplement, as follows:

	Monthly Amount* and Effective Date of Interim Supplement Payable Prior to Age 62 and One Month for Each Year of Credited Service	
	Retired With Benefits Payable Commencing	
Age at Retirement	October 1, 1996 through September 1, 1999	October 1, 1999 and prior to October 1, 2003
	$	$
55	16.95	19.55
56	20.00	23.10
57	24.20	27.90
58	28.35	32.70
59	31.70	36.50
60	36.65	42.25
61	36.65	42.25

**Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.*

(d) The survivor benefit payable to the surviving spouse of a retired employee who completed an election of the special survivor option first available in 1968 and who dies after such election becomes effective, shall be a monthly benefit for the further lifetime of such surviving spouse equal to $13.10 for each year of credited service that such retired employee had at the date of retirement, with respect to benefits payable for any month commencing on or after October 1, 2003.

(e) An employee who retired under Article II of the Plan, or who is eligible for a deferred pension pursuant to the provisions of Section 2 of Article VII of the Plan, and who has surviving spouse coverage in effect but whose designated spouse predeceases the employee, may have the monthly basic pension benefit restored to the amount payable without such coverage, effective the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's death (for deaths on or after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of the death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death).

(f) In lieu of receiving a reduced amount of any increase in benefits otherwise payable under this Section 8 on or after April 1, 1971, in order to provide an increase in the amount of survivor benefit otherwise payable, an employee who retired under Article II of the Plan with benefits payable commencing prior to November 23, 1970, who is divorced by court decree and (1) a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p) so provides, or (2) written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, such employee may cancel the survivor benefit election with respect to increases in benefits on or after April 1, 1971 and have the monthly basic pension benefit restored to the amount payable without such election effective the first day of the third month following the month in which the Corporation receives such employee's written revocation on a form approved by the Corporation and accompanied by evidence satisfactory to the Corporation of a final decree of divorce.

(g) An employee who retired or retires under

Article II of the Plan with benefits payable commencing on or after January 1, 1962, who marries, or remarries, subsequent to the earliest date survivor benefit coverage is in effect pursuant to Sections 5(a) or 10(a), or was not in effect on such date solely because the retired employee was not then married, may elect, or re-elect, survivor benefit coverage. Any such coverage, and the benefits thereunder, shall be provided under the terms and conditions of the Plan in effect at the time of the employee's retirement. For elections effective January 1, 1997, and thereafter, such coverage shall become effective upon receipt by the Corporation of a completed election form but no earlier than the one year anniversary of the marriage. The applicable reduction in the retiree's pension benefit shall commence on the first day of the month following the one year anniversary date.

Notwithstanding the above, effective October 1, 2003, a retiree who marries or remarries and adds such retiree's spouse to health care or life insurance coverage within 12 months of such marriage or remarriage will be deemed to have automatically elected surviving spouse coverage, effective with the one year anniversary of such marriage or remarriage and the applicable reduction in the retiree's benefit will commence, provided eligibility is met. In no event, shall such election be effective if the retiree previously rejected survivor coverage.

A retiree may revoke coverage after the coverage is in place, but within 18 months of marriage, by submitting a completed Form HRP-60A including notarized spousal signature of consent. If such revocation is executed, the cost for the survivor coverage applied to the retiree's benefit for the applicable time period is not reimbursable.

After 18 months, the provisions outlined in Article II,

Section 10(h) apply and coverage is irrevocable except for death of a spouse or divorce as provided in Article II, Section 5(a).

No election provided hereunder other than the automatic election described immediately above shall become effective under any circumstance for any retired employee whose completed election form is received by the Corporation after the retired employee has been married one year (18 months on or after October 1, 1996).

This subsection (g) also shall be applicable to an employee retired with benefits payable commencing on or after October 1, 2003.

(h) Monthly benefits payable under this Section 8 on and after October 1, 2003 shall not be limited by the 70% benefit limitation in Section 6(g) of this Article II.

Section 9. Employees Not Actively at Work

The absence of an employee from active work at the time such employee would be eligible to retire under the Plan shall not preclude the employee's retirement without return to active work.

Section 10. Joint and Survivor Coverage

(a) In lieu of the monthly basic benefit otherwise payable, an employee who retires pursuant to the provisions of Section 3 of this Article II who is under age 55 and has less than 30 years of credited service shall be deemed to have elected automatically a reduced amount of monthly basic benefit, up to and including the month in which the retired employee dies or attains age 55, whichever occurs first, and a monthly survivor's benefit, beginning on the first day of the month after the retired employee would have reached age 55 shall be payable to the designated spouse during the further lifetime of the spouse.

(b) This automatic election shall be deemed to have been made at the time the employee shall apply or shall have applied for a disability pension benefit (with the election being effective the first day of the month for which the first benefit under the Plan is payable).

(c) The automatic election provided in this Section 10 shall be applicable only with respect to a spouse to whom the employee is married on the date of such election and only if the retired employee and the spouse shall have been married throughout the one-year period ending on the date of the retired employee's death.

(d) An employee may prevent the automatic election provided in this Section 10 during the 90-day period prior to the effective date as set forth in subsection (b) of this Section 10, by specific written rejection which includes the written consent of the spouse that acknowledges the effect of the rejection and that is witnessed by a notary public on a form approved by the Corporation.

(e) In any event, the election shall automatically be canceled:

(i) if the employee's disability retirement status terminates other than by death prior to the first day of the month after the retired employee attains age 55, or

(ii) if the retired employee survives on a disability retirement status until the first day of the month after the attainment of age 55, at which time the coverage described in Section 5 of this Article II becomes applicable.

(f) The amount of the monthly basic benefit payable to an employee deemed to have made the election provided hereunder shall be determined by reducing actuarially the amount of such benefit for the cost of the survivor benefit payable in the event of the

retired employee's death before the first of the month following the attainment of age 55. The actuarial reduction shall be based on the age of the retired employee and the spouse (the age of each being determined as their age at the birthday nearer the date on which the benefits commence) and shall reflect the higher mortality associated with being disabled. Reduction factors at selected ages for disability survivor coverage before age 55 are set forth in the following table:

Age of Employee When Benefits Commence	Age Difference Between Disabled Employee and Spouse				
	Spouse Is:				
	10 Years Younger	5 Years Younger	Same Age	5 Years older	10 Years Older
	%	%	%	%	%
30	8.6	8.1	7.5	6.7	5.9
35	10.4	9.9	9.2	8.3	7.2
40	12.5	11.8	11.0	10.0	8.8
45	14.3	13.5	12.7	11.6	10.3
50	13.9	13.2	12.4	11.4	10.2
51	13.1	12.5	11.7	10.8	9.7
52	10.4	9.9	9.3	8.6	7.7
53	3.4	3.2	3.0	2.8	2.5
54	3.4	3.3	3.1	2.8	2.5

NOTE: Actuarial reduction factors for ages not shown will be calculated on the same basis as the factors shown.

(g) The amount of the monthly benefit payable to the surviving spouse of a retired employee deemed to have made the election specified hereunder shall be 50% of the amount of the monthly basic benefit payable to the retired employee after the reduction provided in subsection (f) of this Section 10.

(h) Anything in the Plan to the contrary notwithstanding, if the designated spouse of a retired employee deemed to have made the election provided hereunder (1) shall predecease such retired employee, or (2) they are divorced by court decree and (i) a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p) so provides, or (ii) written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, such employee may cancel the survivor benefit election and the monthly basic benefit of such retired employee shall be restored to the amount payable without such election, effective (aa) the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's death (for deaths on and after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of the death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death), or (bb) the first day of the third month following the month in which the Corporation receives such employee's written revocation of the election because of divorce, on a form approved by the Corporation and accompanied by evidence satisfactory to the Corporation of a final decree of divorce.

(i) No benefit shall be payable under this Section 10 for any month for which benefits are payable under Article II, Section 5(h) or Section 11 of this Plan.

(j) Information regarding this coverage is included in the summary plan description, which will be provided to each employee. Within a period of not greater than 90 days and not less than 30 days prior to the annuity starting date, each participant shall be provided a written explanation of: (i) the terms and conditions of the surviving spouse coverage; (ii) the participant's right to make and the effect of an election

to waive the surviving spouse coverage; (iii) the rights of the participant's spouse; and (iv) the right to make and the effect of a revocation of a previous selection to waive the surviving spouse coverage.

(k) In no event may an election for survivor benefits be made or changed after the death of the employee.

Section 11. Pre-Retirement Survivor Coverage to Comply With the Retirement Equity Act of 1984

(a) An employee who:

(i) has either 5 or more years of credited service, or 5 years of "service" as provided under Article III, Section 6, or

(ii) breaks seniority on or after October 1, 2003, and who is eligible for a deferred pension under Article VII, Section 2,

and in either case is not eligible for the survivor benefit coverage provided under Section 5 of this Article II, shall have the pre-retirement survivor coverage described herein.

Such coverage shall remain in full force and effect until the date on which the employee or former employee becomes eligible for the survivor benefit coverage provided under Article II, Section 5, at which time the pre-retirement survivor coverage described herein shall cease to be effective.

In the event the employee or former employee predeceases the designated spouse while the pre-retirement survivor coverage provided hereunder is in effect, the designated spouse shall be eligible, during the further lifetime of such spouse, for a monthly benefit commencing on the first of the month following the

month in which the employee or former employee would have become eligible to retire at the option of the employee.

The amount of any such monthly survivor benefit shall be determined by the basic benefit rate in effect for the employee on the date of death of such employee, or the date seniority broke for a former employee.

(b) The survivor coverage provided hereunder for an employee or former employee shall be effective on the date the employee or former employee attains 5 years of credited service or "service" as provided under Article III, Section 6.

(c) The survivor coverage provided hereunder shall be effective with respect to a spouse to whom the employee or former employee is married, but only if the couple shall have been married throughout the one-year period ending on the date of the employee's or former employee's death.

(d) Subsections (b) and (c) notwithstanding, if an employee or former employee marries or remarries, such coverage shall be in effect in favor of the spouse upon such marriage or remarriage, unless, in the case of remarriage, a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p) requires such coverage to remain in effect for the former spouse. The effective date of any such coverage shall be in accordance with subsection (c) of this Section 11.

(e) In the event of divorce, the employee or former employee can revoke the coverage provided hereunder without consent of the former spouse, unless a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p) provides to the contrary.

(f) The coverage provided hereunder shall be

canceled automatically on the date when any employee or former employee becomes eligible for the survivor coverage provided under the provisions of Article II, Section 5 of the Plan.

(g) The monthly benefit amount payable hereunder to any eligible surviving spouse shall be 50% of the monthly amount of the basic benefit as determined in Article VII, Section 2(b) otherwise payable at the (i) date of death to the employee, or (ii) date seniority broke for a former employee, after any reduction provided in Section 2(c) of Article VII.

(h) No benefit shall be payable under this Section 11 for any month for which benefits are payable under Article II, Section 5 or Section 10 of this Plan.

(i) Information regarding the coverage provided hereunder is included in the summary plan description, which will be provided to each employee covered by the Pension Plan, in accordance with The Employee Retirement Income Security Act (ERISA).

(j) The pre-retirement survivor coverage provided hereunder will apply to eligible employees and former employees separated from service:

(1) whose last day worked for the Corporation was on or after October 1, 1976, and

(2) who have entitlement to but have not commenced receipt of deferred vested benefits, and

(3) who were alive as of August 23, 1984.

Section 12. Contingent Annuitant Option

(a) Effective April 1, 2004, in lieu of the monthly basic benefit otherwise payable, an employee who retires pursuant to the normal or early provisions of this Article II may elect to receive during the employee's

lifetime a reduced amount of monthly basic benefit in order to provide for a survivor benefit to be payable to a contingent annuitant who may be any person designated by the employee provided the employee's election has become effective and the contingent annuitant is living at the employee's death. The survivor benefit is payable during the further lifetime of such contingent annuitant; provided that the employee completes the election on a form approved by the Corporation and files it with the Corporation not more than ninety (90) days and not less than thirty (30) days prior to the Annuity Start Date.

If married, and the designated contingent annuitant is not the spouse, the written consent of the spouse that identifies the contingent annuitant, acknowledges the effect of the election, and that is witnessed by a notary public, on a form approved for this purpose by the Corporation and filed with the Corporation, will be required. The written consent of the spouse is limited to a benefit for the designated contingent annuitant only.

(b) The option shall be revoked automatically upon the death of the employee or the designated contingent annuitant, or both, prior to the effective date of the election.

(c) Once the option has become effective it cannot be rescinded except for an employee who is not married at retirement and designates a contingent annuitant and subsequently marries. In such case the contingent annuitant option may be rescinded with the submission of evidence, satisfactory to the Corporation, of the good health of the contingent annuitant and the employee, in conjunction with the employee's election for surviving spouse benefits under Article II, Section 5.

(d) The amount of monthly basic benefit payable to such contingent annuitant if such contingent annuitant is living at the death of the employee shall equal any amount, in 5% increments, up to and including 100% of

the employee's reduced monthly basic benefit except that in the case of an employee whose monthly basic benefit is subject to redetermination at age 62 and one month, the amount of reduction in the monthly basic benefit before such age for the survivor benefit election shall be based on the monthly basic benefit payable to such employee after age 62 and one month and the basic benefit payable to the contingent annuitant shall be based on the monthly basic benefit payable to such employee after age 62 and one month.

Benefits payable to the contingent annuitant shall be increased to the extent necessary to provide the monthly contingent annuitant benefit equal to the benefit which would have been payable to the contingent annuitant had the basic benefit payable to the employee after age 65 been based on the table in Article II, Section 8(a)(1).

The amount of the employee's reduced monthly benefit shall be determined so that the actuarial value of the reduced amount of monthly benefit payable to the employee and the actuarial value of the amount of monthly benefit to be continued to the designated contingent annuitant is as follows:

Contingent Annuitant Option Rate Table

Full Years Contingent Annuitant is Older (+) or Younger (-) Than Employee*	Factors to Convert Employee's Monthly Basic Benefit to Contingent Annuitant Option for Indicated Percentage** Payable to Contingent Annuitant		
	100%	75%	50%
+20	95.50	96.00	100.00
+19	95.00	95.50	99.50
+18	94.50	95.00	99.00
+17	94.00	94.50	98.50
+16	93.50	94.00	98.00
+15	93.00	93.50	97.50
+14	92.50	93.00	97.00
+13	92.00	92.50	96.50

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Contingent Annuitant Option Rate Table (Cont'd.)

Full Years Contingent Annuitant is Older (+) or Younger (-) Than Employee*	Factors to Convert Employee's Monthly Basic Benefit to Contingent Annuitant Option for Indicated Percentage** Payable to Contingent Annuitant		
	100%	75%	50%
+12	91.50	92.00	96.00
+11	91.00	91.50	95.50
+10	90.50	91.00	95.00
+9	89.75	90.50	94.50
+8	89.00	90.00	94.00
+7	88.25	89.50	93.50
+6	87.50	89.00	93.00
+5	86.75	88.50	92.50
+4	86.00	88.00	92.00
+3	85.25	87.50	91.50
+2	84.50	87.00	91.00
+1	83.75	86.50	90.50
0	83.00	86.00	90.00
-1	82.25	85.50	89.50
-2	81.50	85.00	89.00
-3	80.75	84.50	88.50
-4	80.00	84.00	88.00
-5	79.25	83.50	87.50
-6	78.50	83.00	87.00
-7	77.75	82.50	86.50
-8	77.00	82.00	86.00
-9	76.25	81.50	85.50
-10	75.50	81.00	85.00
-11	75.00	80.50	84.50
-12	74.50	80.00	84.00
-13	74.00	79.50	83.50
-14	73.50	79.00	83.00
-15	73.00	78.50	82.50
-16	72.50	78.00	82.00
-17	72.00	77.50	81.50
-18	71.50	77.00	81.00
-19	71.00	76.50	80.50
-20	70.50	76.00	80.00

* *Actuarial reduction factors not shown will be calculated on the same basis as the factors shown*

** *Other percentage levels, in 5% increments, may be elected*

Notwithstanding any of the above, where the contingent annuitant is other than the employee's spouse, the actuarial value of the benefit payable to the employee as of the employee's actual retirement date must be more than 50% of the actuarial value of the benefit payable to the employee and the employee's contingent annuitant.

Section 13. Ineligibility for Pension Increases

Notwithstanding any other provision of this Article II, if a participant has an overpayment under the Life and Disability Benefits Program they shall be eligible for only 65% of the amount of any otherwise applicable increase to their monthly basic pension benefit in effect on or after January 1, 2004. Any such reduction shall not serve to increase any benefit otherwise payable. In any given year, the amount of the reduced basic benefit increase will be determined by multiplying the amount of basic benefit increase a similarly situated retiree without an overpayment receives, by 65%. This provision will not reduce a basic benefit increase already in pay status.

When the total accumulated difference in the monthly basic benefit payable to a retiree described above and the monthly basic benefit payable to a similarly situated retiree without any overpayment is equal to a retiree's outstanding overpayment, the retiree's monthly basic benefit will increase, on a prospective basis only, to the same basic benefit as the similarly situated retiree with no overpayment would receive.

Upon the death of a participant with a monthly basic benefit which is reduced pursuant to these provisions, any surviving spouse benefit payable will be calculated as if no such reduction was in place.

ARTICLE III

CREDITED SERVICE

Section 1. Credited Service Subsequent to October 1, 1950

(a) (1) Credited service shall be computed for each calendar year for each employee on the basis of total hours compensated by any plant or Division of the Corporation during such calendar year while the employee has unbroken seniority. For purposes of this Article III, Section 1, effective October 1, 1996, seniority shall mean longest unbroken plant seniority, or Corporate seniority, if greater. Employment while covered under The GM Special Pension Plan shall not be credited hereunder, except for an employee with seniority on March 1, 1988, who has not received a cash payment representing such employee's accrued benefit under The GM Special Pension Plan. Any calendar year in which the employee has 1700 or more compensated hours shall be counted a full calendar year. Where the employee's total hours compensated during a calendar year are less than 1700 hours, a proportionate credit shall be given to the nearest 1/10 of a year.

(2) For the purpose of computing credited service, hours of pay at premium rate shall be computed as straight time hours.

(b) For the purpose of computing compensated hours under subsection (a) of this Section 1:

(1) An employee with seniority on or after January 1, 1968 who is absent from work during any calendar year thereafter because of layoff or while on a Corporation approved sick leave, shall be credited with 40 hours for each complete calendar week of such absence during such year in addition to any other hours credited, provided that such employee shall have

received pay from the Corporation during that year for at least 170 hours, and provided further that if such absence commences in calendar year 1970 or later, and such layoff or sick leave continues into the following year, the employee shall be credited with 40 hours, hereinafter referred to as "bank hours", for each complete calendar week of absence in the following year, not to exceed 1530 "bank hours" of credit for all such absence related to receipt of such pay from the Corporation in the first year.

An employee who is recalled from permanent layoff and returns to work on or after October 1, 2003 shall become eligible for the 1530 "bank hours" of credit hereunder, applicable during a sick leave or layoff, on the later of: (1) receipt of pay from the Corporation for at least 170 hours, or (2) the day next following the 12th week of pay from one or more GM plants within a calendar year. If the employee receives pay from the Corporation for 170 or more hours prior to the 12th week in (2) immediately above, the employee shall become eligible for "bank hours" equal to the number of hours worked since recall, plus any "bank hours" to which the employee was entitled immediately before such return to work, but in no case to exceed 1530 "bank hours".

An employee who returns to work on or after October 1, 1979 and receives pay for a period of less than 170 hours and who thereafter returns to such layoff or sick leave, shall not be disqualified, solely because of the receipt of such pay, from receiving any such credit for which the employee otherwise would be eligible hereunder. For the purposes of this subsection only, an employee who is laid off subsequent to October 1, 1979 and whose first day of absence due to such layoff is the first regularly scheduled work day in the January next following the last day worked shall be deemed to have been laid off on December 31 of the year in which the

employee last worked. A part-time employee shall be credited for any week of such absence in the same percentage relationship as such employee's regular part-time schedule is to 40 hours.

An employee who (i) is at work on or after October 1, 2003; (ii) has 10 or more years of seniority at time of layoff commencing on or after October 1, 2003; (iii) while on such layoff has received the maximum of 1530 "bank hours" of credit for periods of absence due to layoff or Corporation approved sick leave in accordance with the preceding paragraph of this Section 1(b)(1); and (iv) continues thereafter to be absent due to such layoff shall be credited with 40 "bank hours" for each complete calendar week of absence due to such layoff up to a maximum of 1700 hours of credit.

(2) An employee who is absent from work because of occupational injury or disease incurred in the course of such employee's employment with the Corporation, and on account of such absence receives Workers Compensation while on Corporation approved leave of absence shall be credited with 40 hours for each complete calendar week of such absence after September 1, 1961.

(c) Any salaried employee transferred to an hourly-rate job who thereby becomes an employee covered by the Plan shall have credited to the nearest 1/10 year any credited service the employee had as of the date of such transfer under any Corporation retirement plan for salaried employees.

(d) If an employee who retired is rehired, such employee may accumulate additional credited service by reason of such reemployment.

(e) For the purpose of computing compensated hours under subsection (a) of this Section 1:

(1) An employee who after October 1, 1950 and prior to June 1, 1955 was absent from work because such employee entered into active service in the armed forces of the United States and who was given a Corporation approved leave of absence for such period shall be credited with the number of hours that the employee would have been scheduled to work during such absence.

(2) An employee, who on or after June 1, 1955 was or is absent from work to enter into (or remain in) active service in the armed forces of the United States and for that reason was or is given a Corporation approved leave of absence, shall be credited with 40 hours for each complete calendar week while on such leave; provided, however, that credited service based on such hours shall not exceed four years (including credited service, if any, granted under subsection (e)(1) of this Section 1), or such longer period during which the employee has reemployment rights pursuant to any Federal law, and provided, further, that the employee is reemployed in accordance with the terms of such leave of absence or, if reemployed by the Corporation at a location other than the location from which the leave was granted, within 90 days from the date of discharge from the armed forces.

(f) Any employee hired on an hourly-rate job by a plant or Division of the Corporation, who has credited service under any Corporation retirement plan for salaried employees or who has lost credited service under any such plan, shall, upon making proper application, have such service credited to the nearest 1/10 year; provided that the employee acquires or acquired seniority following the loss of such credited service.

(g) If a former salaried employee who is entitled to a deferred retirement benefit under Part A of the

General Motors Retirement Program for Salaried Employees is reemployed by the Corporation and acquires seniority prior to the commencement of such deferred retirement benefit, such employee shall, upon making proper application, have reinstated, in lieu of the deferred retirement benefit, the credited service lost at the time the employee became entitled to such deferred retirement benefit.

(h) An employee with at least five years of seniority:

(1) on January 1, 1968 who was absent from work because of layoff during any calendar year after December 31, 1955 and before January 1, 1963, or

(2) on December 10, 1973 who was absent from work because of layoff during any calendar year after December 31, 1950 and before January 1, 1956, or

(3) on October 1, 1979 who was absent from work because of layoff during any calendar year after December 31, 1962 and before January 1, 1968, or

(4) on October 1, 1984 who was absent from work because of layoff during any calendar year after December 31, 1978 and before January 1, 1984, or

(5) on October 1, 1993 who was absent from work because of layoff during any calendar year after December 31, 1973 and before January 1, 1977, or

(6) on October 1, 1996 who was absent from work because of layoff during any calendar year after December 31, 1983 and before January 1, 1986, or

(7) on October 1, 1999 who was absent from work because of layoff during any calendar year after December 31, 1978 and before January 1, 1984, or

(8) on October 1, 2003 who was absent from

work because of layoff during any calendar year after December 31, 1986 and before January 1, 1990.

shall be credited with 40 hours for each complete calendar week of such absence, not previously credited under this Section 1, during which the employee had seniority multiplied by a percentage as set forth in the following table:

Employee's Seniority on January 1, 1968 in the Case of (1) Above or December 10, 1973 in the Case of (2) Above or October 1, 1979 in the Case of (3) Above or October 1, 1984 in the Case of (4) Above or October 1, 1993 in the Case of (5) Above or October 1, 1996 in the Case of (6) Above or October 1, 1999 in the Case of (7) Above or October 1, 2003 in the Case of (8) Above	%
20 years or more	100
15 years but less than 20 years	75
10 years but less than 15 years	50
5 years but less than 10 years	25

provided that the employee makes proper application.

(i) In no event shall any employee be credited with more than 1700 hours, including compensated hours, in any calendar year. No employee shall be credited with any service after retirement. There shall be no duplication of credited service under the Plan. Not more than one year of credited service shall be credited to any employee in any calendar year, except as

otherwise provided in Section 5 of this Article III with respect to foundry service.

(j) Notwithstanding any other Section of this Article III, in the case of an employee who shall retire on or after October 1, 2003, the employee's credited service for the period before January 1, 1966 shall not be less than the employee's seniority as of December 31, 1965 as determined under the Collective Bargaining Agreement.

Section 2. Loss of Credited Service

Subject to the provisions of Article III, Section 6, and Article VII, Section 2, an employee will lose all credited service for purposes of this Plan:

(a) if the employee quits,

(b) if the employee is discharged or released,

(c) if the employee's seniority is broken for any other reason.

Section 3. Reinstatement of Credited Service

(a) Any employee with seniority on or after October 1, 2003 who breaks seniority and thereby loses or has lost credited service under Section 2 of this Article III and then is or was later reemployed by any plant or Division of the Corporation shall, upon making proper application, have such credited service reinstated provided the employee subsequently acquires or acquired seniority.

(b) Any employee retired under the provisions of this Plan who subsequently has seniority reinstated, will have credited service at the time of retirement reinstated.

Section 4. Service With a Foreign Subsidiary

An employee with seniority on or after October 1, 2003 whose employment as an hourly or salaried employee with a directly or indirectly wholly-owned or substantially wholly-owned foreign subsidiary of General Motors Corporation has been terminated other than by retirement, shall be granted credited service under this Plan for any periods of active service with such foreign subsidiary or, if greater, the amount of service credited to such employee under any pension or retirement plan of the foreign subsidiary at the time of termination, provided such service was prior to the most recent period of active service credited under this Plan.

Any monthly benefits payable under this Plan to a retired employee who has received credited service under this Section 4 will be reduced by an amount equivalent to the total of any monthly benefits that could be payable to such employee under any retirement plan to which the foreign subsidiary has contributed, excluding, however, any such plan or any portion of any such plan providing retirement benefits purchased solely by voluntary employee contributions. Any survivor's benefits payable under this Plan to a survivor of such an employee shall be subject to similar reduction by monthly survivor's benefits payable under any plan to which the foreign subsidiary has contributed.

Section 5. Foundry Service

An employee with seniority on or after October 1, 2003 who at retirement has over 10 years of credited service which such employee accrued while employed on certain foundry job classifications as set forth in Appendix B, shall receive additional credited service related thereto. Total credited service for any such employee who retires with benefits payable commencing on or after October 1, 1975 shall be the sum of (i) credited service otherwise credited to the

employee, and (ii) any such additional credited service which shall be credited to the employee in accordance with the following table:

Years of Credited Service Credited on Foundry Jobs	Additional Credited Service
For years 1 through 10	0
For years 10.1 through 25	33-1/3%
For years over 25	20%

If any such employee is continuously employed exclusively on such foundry jobs in a calendar year, such additional credited service shall apply to any credited service otherwise credited to the employee for such year. If any such employee (i) is not continuously employed in a calendar year, or (ii) is employed on other than such foundry jobs in such year, such additional credited service shall apply to any credited service otherwise credited to the employee for such year in accordance with the following table:

If Credited Service Otherwise Credited to Employee For Calendar Year is	Additional Credited Service Applies to Such Year Only if Employee Spent Following Minimum Number of Complete Calendar Weeks on Foundry Jobs During Such Year
1.0 (year)	26
.9	23
.8	21
.7	18
.6	16
.5	13
.4	10
.3	8
.2	5
.1	3

No additional credited service shall be granted for any

calendar year in which any such employee spends less than the minimum required number of complete calendar weeks on such foundry jobs, as indicated above.

If any such employee is on such foundry job at the commencement of a layoff or approved leave of absence, such additional credited service shall apply to any credited service otherwise credited to the employee while on such layoff or approved leave of absence.

Section 6. Hours, Years and Breaks in Service to Comply With The Employee Retirement Income Security Act of 1974

(a) An employee who breaks seniority on or after October 1, 1976 who would be eligible for a deferred pension under Article VII, Section 2, except solely for the fact that the employee does not have at least 5 years of credited service under the foregoing Sections of this Article III, shall be eligible for a deferred pension under the provisions of Article VII, Section 2 if, at the time the employee breaks seniority, such employee has 5 years of service solely as determined under this Section 6.

(b) The monthly amount of any such deferred pension shall be based solely on the credited service that the employee had under the foregoing Sections of this Article III when the employee broke seniority.

(c) No employee shall be eligible to be covered under this Section 6 until such employee (i) attains age 21, or (ii) completes 1 year of service under this Section 6, whichever is later. Rehired employees shall participate immediately.

(d) An employee shall complete 1 year of service when such employee completes 750 hours of service in the 12 consecutive month period beginning with the

employment commencement date. If an employee fails to complete 750 hours of service in such period, such employee shall complete 1 year of service in the first 12 consecutive month period thereafter in which the employee completes 750 hours of service, measured from each succeeding anniversary of the employment commencement date. Thereafter, an employee shall complete 1 year of service during each 12 consecutive month period in which such employee completes 750 hours of service, measured from the anniversary of the employment commencement date. A year of service under this Section 6 shall include service (i) with affiliated group members accrued subsequent to acquisition, (ii) rendered to the Corporation as a former leased employee (but only upon employee application, supported by substantiation satisfactory to the Corporation of such service), and (iii) rendered to the Corporation as a salaried employee in accordance with I.R.C. Section 414(b), (c), (m), (n), and (o).

(e) An employee who satisfies the eligibility requirements of Section 6(c), and who is otherwise entitled to participate in the Plan, shall commence participation in this Plan under this Section 6 if the employee satisfied such requirements (i) between April 1 and September 30; on the first day of the plan year beginning after the date on which such requirements are satisfied, or (ii) between October 1 and March 31; on the first day of the plan year that includes the date such requirements are satisfied, but in no event shall any employee participate hereunder if such employee breaks seniority prior to such commencement date.

(f) An employee shall complete an hour of service under this Section 6 for each hour paid by the Corporation for working or for having been entitled to work. Any hours for which an employee receives pay for having been entitled to work, irrespective of mitigation of damages, shall be credited to the period or

periods so entitled, rather than to the period in which such pay is received. There shall be no duplication of any hours of service under this Section 6.

(g) Solely for purposes of determining years of service for vesting under this Plan, all of the employee's years of service shall be taken into account except the following: (i) years of service before age 18 (age 22 prior to October 1, 1985); (ii) years of service before January 1, 1971, unless the employee has at least 3 years of service after December 31, 1970; (iii) years of service prior to any 1-year break in service as defined herein, until the employee completes a year of service after such break; (iv) for non-vested participants under this section, years of service prior to any 1-year break in service if the number of such consecutive breaks equals or exceeds the aggregate number of years of service prior to such break, for a non-vested participant at work on or after October 1, 1985, years of service prior to any 1-year break in service if the number of such consecutive breaks equals or exceeds the greater of 5, or the aggregate number of years of service prior to such break (such aggregate number of years of service before such break shall not include any years of service not required to be taken into account under this Section 6 by reason of any prior break in service); (v) years of service before October 1, 1976, if such service would have been disregarded under rules of the Plan as in effect on October 1, 1976, regarding breaks in service; and (vi) any year in which the employee completes less than 750 hours of service.

(h) An employee shall incur a 1-year break in service under this Section 6 in any 12 consecutive month period during which the employee does not complete more than 375 hours of service, measured from the anniversary of the employment commencement date. Solely for purposes of determining whether an employee has incurred such 1-year break in service, in

addition to hours worked which are paid by the Corporation, any hours which an employee does not work but for which such employee is paid by the Corporation for vacation, sickness or disability, or is entitled to be so paid, directly or indirectly, shall be taken into consideration. For any absence from work commencing on or after October 1, 1985 by reason of pregnancy of the individual, childbirth, placement of a child related to an adoption, or for child care purposes immediately following such birth or placement or for any absence from work commencing on or after October 1, 1993 for which the employee is entitled to a leave under the Family and Medical Leave Act of 1993, the employee shall be credited with the hours of work for which such employee otherwise would have been scheduled, or, if unable to determine such scheduled hours, 8 hours for each work day of such absence, not to exceed a total of 501 hours for any such absence. Such hours shall be credited in the year in which the absence commences if necessary to prevent incurring a 1-year break in service, otherwise such hours shall be credited in the immediately following year.

Section 7. Asbestos Service

An employee with seniority on or after October 1, 1996 who at retirement has over 10 years of credited service which was accrued while employed on certain asbestos job classifications as set forth in Appendix C, shall receive additional credited service related thereto in the same manner as set forth in Section 5 of this Article III. Such additional credited service shall be accrued when earned and in no event will any such additional credited service be provided pursuant to this section which would result in duplication of such service.

ARTICLE IV

REDETERMINATIONS ON ACCOUNT OF SOCIAL LEGISLATION

Section 1. Redeterminations for Federal Social Security Benefits for Age or Disability

(a) The benefits payable for age or disability under the Federal Social Security Act, as amended, as now in effect, or as hereafter amended, which are referred to in the determination of pensions under Article II shall be included in such determination even though the employee either does not apply for, or loses part or all of such payments through delay in applying for them, by entering into covered employment, or otherwise.

(b) Old age benefit payments or disability benefit payments, other than those payable on a basis of "need" or because of military service, under any future federal legislation, amending, superseding, supplementing, or incorporating the Federal Social Security Act, as amended, or benefits provided therein, shall be considered as benefits for age or disability under the Federal Social Security Act for the purposes of the Plan.

(c) If an employee is eligible for a Federal Social Security benefit for disability or an unreduced Federal Social Security benefit for age at the time of retirement or thereafter, such employee shall provide the Corporation with evidence of the effective date of entitlement to such benefit.

Section 2. Deductions for Workers Compensation

In determining the monthly benefits payable under this Plan, a deduction shall be made unless prohibited by law, equivalent to all or any part of Workers

Compensation (including compromise or redemption settlements) payable to such employee by reason of any law of the United States, or any political subdivision thereof, which has been or shall be enacted, provided that such deductions shall be to the extent that such Workers Compensation has been provided by premiums, taxes or other payments paid by or at the expense of the Corporation, except that no deduction shall be made for the following:

(a) Workers Compensation payments specifically allocated for hospitalization or medical expense, fixed statutory payments for the loss of any bodily member, or 100% loss of use of any bodily member, or payments for loss of industrial vision.

(b) Compromise or redemption settlements payable prior to the date monthly pension benefits first become payable.

(c) Workers Compensation payments paid under a claim filed not later than two years after the breaking of seniority.

ARTICLE V

FINANCING

Section 1. Trust Fund

The Corporation or the Named Fiduciary for purposes of investment of Plan assets shall execute a trust agreement with a trustee or trustees selected by the Corporation to manage and operate the pension fund and to receive, hold and disburse such contributions, interest and other income as may be necessary to pay such of the pensions and supplements or portions thereof under this Plan as are not provided for by an insured fund. The Corporation or the Named Fiduciary for purposes of investment of Plan assets may establish an insured fund

with such insurance company or companies as it may select for the payment of such of the pension and supplements or portions thereof under this Plan as are not provided for in a trusteed fund.

The Corporation or the Named Fiduciary for purposes of investment of Plan assets will determine the form and terms of any such trust agreement which may authorize the inclusion of obligations and stock (common and preferred) of the Corporation and its wholly-owned subsidiaries among the investments of the pension fund provided for by such trust agreement; may utilize any investment manager as defined under the Employee Retirement Income Security Act of 1974 or regulations thereunder; may modify any such trust agreement from time to time to accomplish the purposes of this Plan; may remove any trustee, and select any successor trustee; and select and change insurance companies.

Section 2. Contributions

(a) The Corporation, subject to Article IX, Section 1, shall make such contributions to the trustee or pay such premiums under any insured contract for the purposes of providing pensions and supplements under the Plan as shall be required under accepted actuarial principles and Title I of the Employee Retirement Income Security Act of 1974 to maintain the Plan and pension or insured fund in a sound condition and shall pay for expenses incident to the operation and management of the Plan.

(b) The Corporation may charge to the fund expenses necessary for the proper administration of the Plan and investment of the funds, including the direct cost of benefit administration performed by, or on behalf of, the Corporation for the Plan, and Pension Benefit Guaranty Corporation premiums for participants.

(c) No employee shall be required to make any contributions to the Plan.

Section 3. Irrevocability

(a) The Corporation shall have no right, title or interest in the contributions made by it to the trustee and no part of the pension or insured fund shall revert to the Corporation, except that after satisfaction of all liabilities of the Plan as set forth in Article IX, such contributions may revert to the Corporation.

(b) The pension benefits and supplements of the Plan shall be only such as can be provided by the assets of the pension fund or by any insured fund and there shall be no liability or obligation on the part of the Corporation to make any further contributions to the trustee or insurance company in event of termination of the Plan. No liability for the payment of pension benefits or supplements under the Plan shall be imposed upon the Corporation, the Officers, Directors or Stockholders of the Corporation, except as otherwise may be required by the Employee Retirement Income Security Act of 1974.

ARTICLE VI

ADMINISTRATION

Section 1.

The Corporation shall be responsible for the general administration of the Plan and for carrying out the provisions thereof.

Section 2.

(a) The Corporation shall have all such powers as may be necessary to carry out the provisions of the Plan except as the powers and duties of the Corporation may be modified by any collective bargaining agreement.

(b) Subject to the limitations of (a) above, the Corporation may from time to time establish rules for the administration of the Plan and the transaction of the Plan's business.

(c) In making any such determination or rule, the Corporation shall pursue uniform policies and shall not discriminate in favor of, or against any employee or group of employees.

ARTICLE VII

PENSION BENEFITS AND SUPPLEMENTS

Section 1. Pension and Supplement Payments

(a) (1) Pensions and supplements shall be paid monthly and shall commence not sooner than 30 days following the receipt of the required written explanations of distribution options, provided however, an employee may affirmatively elect in writing to commence the pension and supplement payments in less than such 30 days (but not less than 7 days).

(2) The first monthly payment of an employee's pension other than for total and permanent disability shall become payable with the employee's consent on the first day of the month following the month in which the employee actually retires, and the pension shall be payable monthly thereafter for the employee's lifetime.

(3) Total and permanent disability pension shall be payable monthly during the continuance of total and permanent disability and while the pensioner otherwise remains eligible for such benefits. Such payments shall begin the later of:

(i) the first day of the month which includes the date the required proof of disability is received by the Corporation, or

(ii) the first day of the month which includes the date the employee has been continuously and totally disabled for a period of 5 months.

Successive periods of absence due to the same disability as that upon which claim for total and permanent disability pension is based and aggregating at least five months will be considered the same as one continuous absence provided that the aggregate will not include any such absence which precedes the last day at work by more than one year, or

(iii) the first day of the third month following the date the required proof of disability is received by the Corporation, or

(iv) the first day of the third month following determination by the impartial clinic that the employee is totally and permanently disabled.

These subsections (iii) and (iv) shall not be applicable (a) if the employee dies prior to such date, or (b) where net Extended Disability Benefits are less than the benefits payable under this Plan.

(4) A supplement for an employee shall be payable in the manner provided in Section 6 of Article II.

(5) Pension and supplement payments shall not be payable with respect to any period for which weekly sickness and accident benefits are payable to the employee under any plan to which the Corporation has contributed. If such sickness and accident benefits during any month are payable for a period of less than a complete month, a proportionate amount of any monthly pension benefits otherwise payable shall be paid for that part of the month for which the pensioner receives no such sickness and accident benefits.

(b) A pensioner who is reemployed by the

Corporation shall cease to receive, during such reemployment, any monthly pension benefits to which the pensioner might otherwise be entitled. Any such reemployed pensioner will have credited service at the time of retirement reinstated. A reemployed pensioner shall accrue additional credited service as a result of such employment and the monthly pension benefits of such pensioner shall be adjusted with regard to such employment upon subsequent cessation of active service.

(c) In the event that it shall be found that any pensioner or surviving spouse to whom a pension or survivor benefit is payable is unable to care for the affairs of such pensioner or surviving spouse because of illness or accident, any monthly pension payment and supplement or survivor benefit due (unless prior claim therefor shall have been made by a duly qualified guardian or other legal representative) may be paid to the spouse, parent, brother, sister or other person or party (including private or public institutions) deemed by the Corporation to have incurred expense for such pensioner otherwise entitled to payment. Any such payment shall be a payment for the account of the pensioner and shall be a complete discharge of any liability of the Plan therefor.

(d) In order to retire under the Plan, an employee must have unbroken seniority at the time of retirement except that a person who is eligible for benefits under the Guaranteed Income Stream Benefit Program and is not being paid pension benefits under this Plan shall not be precluded from retiring without return to employment even though such person shall have incurred a break in seniority while on continuous layoff from the Corporation.

(e) (i) Notwithstanding any other provision of this Section 1, an employee attaining age 70-1/2 on and after

October 1, 1993, and prior to January 1, 1997, will commence monthly receipt of accrued benefits under this Plan, beginning April 1 of the calendar year immediately following the year the employee attains or attained age 70-1/2. An employee attaining age 70-1/2 shall have the monthly payment based on such employee's pension benefit accrual as of December 31 of the year in which age 70-1/2 is attained. The actuarial value of the sum of all Plan distributions received by any otherwise eligible employee prior to such employee's actual retirement under this Plan will be used as an offset from any additional benefit accrual that might otherwise have been payable to such employee as a result of working for the Corporation.

(ii) An employee attaining age 70-1/2 on or after January 1, 1999 will not commence monthly receipt of accrued benefits under this Plan until such employee actually retires. At the time of such employee's retirement under the Plan, the employee's accrued benefit at age 70-1/2 under the Plan will be actuarially increased to take into account the period after age 70-1/2 in which such employee was not receiving benefits under the Plan. Notwithstanding the foregoing, a 5% owner will commence monthly accrued benefits under this Plan beginning April 1 of the calendar year immediately following the year the employee attains age 70-1/2.

(iii) Effective January 1, 1997, an active employee who attained age 70-1/2 prior to January 1, 1997 and who commenced the monthly benefit in accordance with (i) above, shall continue to receive such monthly benefit unless such employee irrevocably elects, on a form approved by the Corporation, to discontinue such payments until actual retirement. In the event the employee so elects, the employee's accrued benefit upon actual retirement will be actuarially increased to take into account the period after

the employee's election when such employee was not receiving benefits under the Plan.

(iv) An active employee who attained age 70-1/2 during calendar years 1997 or 1998 and who otherwise was eligible to commence the monthly benefit beginning April 1 of the calendar year immediately following shall have such monthly benefit deferred until actual retirement unless such employee irrevocably elects, on a form approved by the Corporation, to commence distribution. The employee's accrued benefit will be actuarially increased to take into account the period after age 70-1/2 in which such employee was not receiving benefits under the Plan.

(v) All benefits required under this subsection shall be determined and made in accordance with the Income Tax Regulations under Section 401(a)(9) of the Internal Revenue Code, including the minimum distribution incidental benefit requirement of Section 1.401(a)(9)-2 of the Income Tax Regulations.

(f) Notwithstanding any other provision of this Section 1, the payment of pension benefits under this Plan to an employee or former employee who has accepted employment with a successor company through a sale, divestiture or joint venture transaction, cannot commence under this Plan until such employee has terminated employment with the successor company or in accordance with Section 1(e) immediately above.

Section 2. Retention of Deferred Pension if Separated

(a) Any employee who loses accumulated credited service under the provisions of Article III, Section 2 shall be eligible for a deferred pension if such employee is not retired and eligible for pension benefits pursuant to Article II, and provided the credited service of such employee at separation is at least 5 years, or such

employee satisfies the "service" requirements of Article III, Section 6.

(b) The monthly amount of such deferred pension for an employee breaking seniority on or after October 1, 2003 shall be a basic benefit for each year of credited service that such employee had when such employee broke seniority, determined by such employee's Benefit Class Code when such employee broke seniority as set forth in the table immediately following:

Date Seniority Broke	Benefit Class Code	Basic Benefit Rate
October 1, 2003 through September 30, 2004	A	47.75
	B	48.00
	C	48.25
	D	48.50
October 1, 2004 through September 30, 2005	A	48.80
	B	49.05
	C	49.30
	D	49.55
October 1, 2005 through September 30, 2006	A	49.85
	B	50.10
	C	50.35
	D	50.60
October 1, 2006 and After	A	50.90
	B	51.15
	C	51.40
	D	51.65

(c) A former employee who is eligible for a deferred pension may at the election of such former employee receive

(1) a monthly pension commencing at age 65 determined in accordance with subsection (b) of this Section 2, or

(2) a monthly pension commencing after age 60 and prior to age 65 determined in accordance with subsection (b) of this Section 2, such pension being reduced by 6/10 of 1 percent for each complete calendar month by which such former employee is under the age of 65 at the date the deferred pension commences, or

(3) a monthly pension commencing after age 55 and prior to age 60 for a former employee who breaks seniority on or after October 1, 1976, determined in accordance with subsection (b) of this Section 2. Such pension shall be multiplied by a percentage as set forth in the following table:

Age When Pension Commences	Percentage*
	%
55	42.8
56	46.8
57	51.2
58	55.5
59	59.6
60	64.0

**Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.*

(d) The deferred pension shall be payable commencing the first day of the month following the employee's attainment of age 65 or, if earlier, the first day of the month following the month in which the Corporation receives a request from such former employee with such benefit determined in accordance

with subsections (c)(2) or (c)(3) of this Section 2, as may be applicable; provided that such request shall be valid and effective only if it is filed with the Corporation not more than 90 days and not less than 30 days prior to commencement of such benefit.

Notwithstanding the above, for any employee who broke seniority prior to October 1, 1976, the deferred vested pension benefit shall not be payable prior to the first of the month following the month in which the Corporation receives a request from such former employee to commence such benefit.

(e) If, prior to the commencement of deferred pension benefits, an employee is reemployed by the Corporation and: (1) acquires seniority, or (2) is reemployed by, and works for, the Corporation at the plant where such employee worked immediately prior to the loss of credited service, or (3) dies after having qualified for a deferred pension in accordance with this Section 2, such employee shall, in lieu thereof, have reinstated the credited service in effect when such deferred pension was granted; provided that if an employee with 10 or more years of credited service

(1) is reemployed by, and works for, the Corporation within 36 months of the date credited service was lost under Article III, Section 2, and

(2) becomes disabled while employed by the Corporation prior to acquiring 5 months of seniority, and such disability is continuous for a period of 5 months during which the employee makes proper application and submits medical evidence satisfactory to the Corporation that such employee is totally and permanently disabled as set forth in Section 3 of Article II, such employee will be deemed eligible for a disability pension under Section 3 of Article II, and such pension will be payable pursuant to Section 1 of Article VII, as though such employee had been an employee with seniority throughout such disability period.

(f) The amount of any monthly pension benefit otherwise payable to a former employee eligible for a deferred pension will be reduced by the value of any past and future benefits paid or payable to any alternate payee(s) under a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p).

The actuarial value will be used to determine any amount to be paid to any such payee(s), if applicable, and the remaining benefit entitlement of the employee.

(g) The Plan Administrator shall not be obliged to search for, or ascertain the whereabouts of any participant, beneficiary or payee of a Qualified Domestic Relations Order. The Plan Administrator, by certified or registered mail with return receipt requested addressed to such person's last known address, or through an alternative method, shall notify the person that such person is entitled to a benefit under this Plan. Any benefit not claimed by the person entitled thereto within a reasonable period of time as determined by the Plan Administrator shall be forfeited. This provision regarding the forfeiture of benefits shall be included in the notification to the person as set forth above. Should such person make a claim for such forfeited benefit, such benefit shall be reinstated.

Section 3. Non-Alienation of Benefits

The pension fund shall not in any manner be liable for or subject to the debts or liability of any employee, separated employee, retired employee, pensioner or surviving spouse. No right, benefit, pension or supplement at any time under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge or encumbrances of any kind except in accord with provisions of a Qualified Domestic Relations Order within the meaning of I.R.C. Section 414(p). If any person shall attempt to, or shall, alienate, sell, transfer, assign, pledge or otherwise encumber accrued rights,

benefits, pensions or supplements under the Plan or any part thereof, or if by reason of bankruptcy or other event happening at any time such benefits would otherwise be received or enjoyed by anyone else, the Corporation may terminate the interest of such employee, pensioner or surviving spouse in any such benefit and instruct the trustee to hold or apply it to or for the benefit of such employee, pensioner or surviving spouse, spouse, children or other dependents, or any of them as the Corporation may instruct; provided, however, that any pensioner, or surviving spouse, entitled to a monthly benefit under the Plan:

(a) who is covered under the General Motors Health Care Program for Hourly Employees may have deducted from the monthly pension, pursuant to authorization and direction acceptable to the Corporation, the required contribution for such coverage.

(b) will have Federal and state income tax withheld pursuant to Federal and state statutes or regulations unless, only with respect to Federal income tax, elected otherwise by submitting to the Corporation authorization and direction acceptable to the Corporation.

(c) who elects optional, dependent life or personal accident insurance coverage(s) made available under the General Motors Life and Disability Benefits Program for Hourly Employees may have deducted from the monthly pension, pursuant to authorization and direction, acceptable to the Corporation, the required contribution(s) for such coverage(s).

(d) to the extent permitted by applicable laws and regulations, may have deducted from the monthly pension pursuant to authorization and direction, acceptable to the Corporation, United Way contributions.

(e) may have amounts of not less than $80.00, but in no event more than 10% of the retired employee's monthly pension, withheld to repay any outstanding overpayment owing to any benefit plan of the Corporation, pursuant to written authorization and direction acceptable to the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. No Enlargement of Employment Rights

The Corporation's rights to discipline or discharge employees shall not be affected by reason of any of the provisions of the Plan.

Section 2. Internal Revenue Service Approval

This Plan as amended is contingent upon and subject to obtaining and retaining such approval of the Commissioner of Internal Revenue as may be necessary to establish the deductibility under Section 404 of the Internal Revenue Code for income tax purposes of any and all contributions made by the Corporation to this Plan and to establish this Plan and related trust as being qualified and tax exempt under Sections 401 and 501(a) or other applicable provisions of the Internal Revenue Code. Any modification or amendment of the Plan may be made, if necessary or appropriate, to qualify or maintain the Plan as a plan and trust meeting the requirements of Sections 401 and 501(a) of the Internal Revenue Code, as now in effect or hereafter amended, or any other applicable provisions of the federal tax laws, as now in effect or hereafter amended or adopted, and the regulations issued thereunder.

Section 3. Corporation Board of Directors Approval

Continuation of the Plan as amended in 2003 is contingent upon obtaining the approval of the Corporation's Board of Directors not later than June 1, 2004.

Section 4. Named Fiduciary

Except as set forth below, the Investment Funds Committee of the Corporation's Board of Directors shall be the Named Fiduciary with respect to the Plan. The Investment Funds Committee may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by the Employee Retirement Income Security Act of 1974. General Motors Investment Management Corporation (GMIMCO) is the Named Fiduciary of the Pension Plan for purposes of investment of Plan assets. GMIMCO may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by The Employee Retirement Income Security Act of 1974.

Section 5. Limitation of Benefits

No benefits paid from this Plan will exceed the limits of Section 415 of the Internal Revenue Code and regulations thereunder. For purposes of this Section 5, the limits will be applied based on the Limitation Year beginning on January 1 and ending on the following December 31.

Section 6. Rollover Distributions

Notwithstanding any provision of the Plan to the contrary, in the event the Plan pays a participant an eligible rollover distribution, the participant may elect at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible

retirement plan specified by the distributee in a direct rollover. In no event shall this Plan accept a direct rollover payment from a participant.

ARTICLE IX

AMENDMENT AND TERMINATION

Section 1. Amendment

The Corporation reserves the right to amend, modify, suspend or terminate the Plan by action of its Board of Directors, provided, however, that no such action shall alter the Plan or its operation, except as may be required by the Internal Revenue Service for the purpose of meeting the conditions for qualification and tax deduction under Sections 401, 404, and 501(a) of the Internal Revenue Code, in respect of employees who are represented under a collective bargaining agreement in contravention of the provisions of any such agreement pertaining to pension benefits and supplements as long as any such agreement is in effect. Except as provided in Article V, Section 3, no such action shall operate to recapture for the Corporation any contributions previously made to the trustee or insurance company under the Plan, nor, except to the extent necessary to meet the requirements of the Internal Revenue Service or any other governmental authority, to affect adversely the pensions or supplements of employees already retired or the trust fund or insured fund then securing such pensions and supplements. Further, no such action can reduce or eliminate a Participant's accrued benefits as of the date the amendment is adopted.

Section 2. Termination of Plan

(a) If the Corporation, in accordance with Section 1 of this Article IX, or the Pension Benefit Guaranty Corporation terminates the Plan, the amount of the assets, which are available to provide benefits, and

which are held by the trustee as of the termination date, shall be allocated, after deducting expenses for administration or liquidation, in the following manner and order to the extent of the sufficiency of such assets:

(1) First, in the case of benefits payable as an annuity:

(i) In the case of the benefit of a participant or beneficiary which was in pay status as of the beginning of the 3-year period ending on the termination date of the Plan, to each such benefit, based on the provisions of the Plan (as in effect during the 5-year period ending on such date) under which such benefit would be the least;

(ii) In the case of a participant's or beneficiary's benefit (other than a benefit described in subsection (a)(1)(i)) which would have been in pay status as of the beginning of such 3-year period if the participant had retired prior to the beginning of the 3-year period and if benefits had commenced (in the normal form of annuity under the Plan) as of the beginning of such period, to each such benefit based on the provisions of the Plan (as in effect during the 5-year period ending on such date) under which such benefit would be the least.

For purposes of subsection (a)(1)(i), the lowest benefit in pay status during a 3-year period shall be considered the benefit in pay status for such period.

(2) Second, to all other benefits (if any) of individuals under the Plan which are guaranteed under the plan termination insurance provisions of the Employee Retirement Income Security Act of 1974 determined without regard to Section 4022B(a) of said Act.

(3) Third, to all other nonforfeitable benefits under the Plan.

(4) Fourth, to all other benefits under the Plan.

(b)(1) The amount allocated under any of the preceding subsections of this Section 2 with respect to any benefit shall be properly adjusted for any allocation of assets with respect to that benefit under a prior subsection of this Section 2.

(2) If the assets available for allocation under subsections (a)(1) and (a)(2) are insufficient to satisfy in full the benefits of all individuals which are described in such subsections, the assets shall be allocated pro rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits described in such subsections.

(3) If the assets available for allocation under subsection (a)(3) are not sufficient to satisfy in full the benefits of individuals described therein:

(i) Except as provided in subsection (b)(3)(ii), the assets shall be allocated to the benefits of individuals described in subsection (a)(3) on the basis of the benefits of individuals which would have been described in subsection (a)(3) under the Plan as in effect at the beginning of the 5-year period ending on the date of the Plan's termination.

(ii) If the assets available for allocation under subsection (b)(3)(i) are sufficient to satisfy in full the benefits described therein (without regard to this subsection (b)(3)(ii)), then for purposes of subsection (b)(3)(i), benefits of individuals described therein shall be determined on the basis of the Plan as amended by the most recent Plan amendment effective during such 5-year period under which the assets available for allocation are sufficient to satisfy in full the benefits of individuals described in subsection (b)(3)(i) and any assets remaining to be allocated under such subsection shall be allocated under subsection (b)(3)(i) on the basis

of the Plan as amended by the next succeeding Plan amendment effective during such period.

(c) If the Secretary of the Treasury determines that the allocation made pursuant to this Section 2 results in discrimination prohibited by Section 401(a)(4) of the Internal Revenue Code of 1986, or as may be subsequently amended, then, if required to prevent the disqualification of the plan (or any trust under the plan) under Section 401(a) or 403(a) of such Code the assets allocated shall be reallocated to the extent necessary to avoid such discrimination.

(d) In the event of termination or partial termination of the Plan, the right of all affected employees to benefits accrued to the date of such termination, partial termination or discontinuance, to the extent funded as of such date, are nonforfeitable.

(e) Anything in the Plan to the contrary notwithstanding, it shall not be possible at any time prior to the satisfaction of all liabilities with respect to employees under the plan for any part of the corpus or income of the Pension Fund to be used for, or diverted to purposes other than the exclusive benefit of employees. After satisfaction of all liabilities to participants and beneficiaries under the Plan, any residual assets of the Pension Fund will be distributed to the Corporation if the distribution does not contravene any applicable provision of law.

Section 3. Merger or Consolidation

In the case of any merger or consolidation with, or transfer of assets or liabilities to, any other plan after September 2, 1974, each participant in the Plan would, if the Plan then terminated, receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit the participant would have been entitled to receive

immediately before the merger, consolidation, or transfer, if the Plan had then terminated.

Section 4. Divestitures or Purchase of Operations

From time to time the Corporation and the Union may enter into Memoranda Of Understanding, the provisions of which address issues under the Plan associated with the divestiture, purchase or other disposition of specific operations. Such provisions are made a part of this Plan as if set out fully herein.

ARTICLE X

DEFINITIONS

1. Employee

(a) Any person with unbroken seniority who is regularly employed in the United States by the Corporation or by a wholly-owned or substantially wholly-owned domestic subsidiary in accordance with I.R.C. Section 414(b), (c), and (m) thereof, including:

(1) hourly-rate persons employed on a full time basis;

(2) hourly-rate persons on incentive pay plans;

(3) students from educational institutions who are enrolled in cooperative training courses on hourly rate;

(4) part-time hourly-rate employees who, on a regular and continuing basis, perform jobs having definitely established working hours, but the complete performance of which requires fewer hours of work than the regular work week, provided such employees work one-half or more of the employing unit's regular work week;

(5) represented employees of the Saturn Corporation who have made a positive election to participate in the GM Plan pursuant to the Memoranda of Agreement dated October 16, 1993 and December 12, 1995.

(b) The term "employee" shall not include:

(1) temporary employees provided, however, that the provisions of Article III, Section 6 of this Plan shall apply to this classification, as may be applicable;

(2) part-time employees who work less than one-half of the employing unit's work week provided, however, that provisions of Article III, Section 6 of this Plan shall apply to this classification, as may be applicable;

(3) employees represented by a labor organization which has not signed an agreement making this Plan applicable to such employees;

(4) employees of any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of the Corporation acquired or formed by the Corporation on or after January 1, 1984, except as provided under (a)(5) above;

(5) leased employees as defined under Section 414(n) of the Internal Revenue Code. The term leased employee means any person who, pursuant to an agreement between the Corporation and any leasing organization, has performed services for the Corporation on a substantially full-time basis for a period of at least one year, and such services are performed under the primary direction or control of the Corporation. Contributions or benefits provided a leased employee by the leasing organization which are attributable to services performed for the Corporation shall be treated as provided by the Corporation. A leased employee

shall not be considered an employee of the Corporation if such employee is covered by the safe harbor requirements of Section 414(n)(5) of the Internal Revenue Code;

(6) contract employees, bundled services employees, consultants, or other similarly situated individuals, or individuals who have represented themselves to be independent contractors.

The following classes of individuals are ineligible to participate in this Plan, regardless of any other Plan terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation:

(i) Any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled-services employees";

(ii) Any individual who has signed an independent contractor agreement, consulting agreement, or other similar personal service contract with the Corporation;

(iii) Any individual who both (a) is not included in any represented bargaining unit and (b) who the Corporation classifies as an independent contractor, consultant, contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded

from the payroll, and regardless of whether that exclusion is correct.

2. Trustee or Insurance Company

The bank or banks, trust or insurance company or companies or any combination thereof designated by a trust agreement or contract as the medium for financing the Plan.

3. Seniority

Seniority means the period following the most recent date of hire by the Corporation and subsequent to which there has been no loss of credited service (as loss of credited service is defined in the Plan), or if the employee is represented under a collective bargaining agreement seniority will be as defined in such agreement. An employee who is rehired on or after October 1, 1984, and thereby has the pension discontinued, but does not have seniority reinstated, shall be deemed, solely to satisfy purposes of The General Motors Hourly-Rate Employees Pension Plan, to have seniority while so employed.

4. Federal Social Security Benefit

A Federal Social Security benefit for disability or an unreduced Federal Social Security benefit for age means a benefit determined and payable under Title II of the Federal Social Security Act, as now in effect or as hereafter amended, without any reduction being made therefrom based on the age of the recipient.

5. Trust Fund; Pension Fund; Insured Fund

The General Motors Hourly-Rate Employees Pension Plan fund established by payments made by the Corporation in accordance with Article V herein. Such fund therein called the trust fund shall be comprised of either a pension fund or insured fund, or a combination thereof.

6. Base Hourly Rate

For the purpose referred to in Section 6(g) of Article II of this Plan only, Base Hourly Rate shall be the higher of:

(a) the employee's highest straight-time hourly rate, or

(b) for an employee who worked on incentive or piece work in at least 4 pay periods, the employee's average earned straight-time hourly rate for the first 4 pay periods (or, if higher, for the last 4 pay periods) for which such employee had any incentive earnings (provided, however, that if the employee worked in less than 4 pay periods but during each such pay period worked, such employee worked on incentive or piece work, the employee's average earned straight-time hourly rate for such pay periods worked shall be used) during the last 13 consecutive pay periods ending with the pay period which includes the last day worked, plus any cost-of-living allowance in effect with respect to the employee's last day worked for the Corporation.

7. Basic Benefit

The monthly benefit payable under the Plan for the lifetime of a retired or separated employee, including a benefit reduced by a percentage because of early retirement. The term "basic benefit" shall not include any temporary benefit, special benefit, or supplement payable under the Plan.

8. Age 62 and One Month

"Age 62 and one month" means age 62 and one month except that for purposes of determining the month for which the temporary benefit provided in Article II, Section 4 and the early retirement and interim supplements provided in Article II, Section 6 shall cease

and the month for which the basic benefit is redetermined in accordance with Article II, Section 4, it shall mean age 62 if both a temporary benefit, early retirement supplement, or interim supplement under the Plan and a benefit under the Federal Social Security Act could otherwise be payable.

9. Actuarial Value

The actuarial value as of any determination date shall be calculated based on the mortality table described in Revenue Ruling 95-6 (Revenue Ruling 2001-62 for determination dates on and after October 1, 2003), and the annual interest rate on 30-year Treasury securities as specified by the Commissioner of the Internal Revenue Service for the third full month prior to the first day of the plan year preceding the determination date.

10. Highly Compensated Employees

For purposes of this Plan, the term Highly Compensated Employees includes highly compensated active employees and highly compensated former employees. A highly compensated active employee includes any employee who performs service for the Corporation during the determination year and who, during the look-back year: (i) received compensation from the Corporation in excess of $80,000 (as adjusted under the Internal Revenue Code) for such year, or (ii) was a 5% owner of the Corporation at any time during the year or the preceding year. For purposes of this section, the determination year shall be the calendar year, and the look-back year shall be the twelve-month period immediately preceding the determination year.

A highly compensated former employee includes any employee who separated from service prior to the determination year, performs no service for the Corporation during the determination year, and was a highly compensated active employee for either the

separation year or any determination year ending on or after the employee's 55th birthday.

The determination of who is a highly compensated employee will be made in accordance with Sections 414(q) and 415(c)(3) of the Internal Revenue Code and regulations thereunder.

11. Annuity Starting Date

For purposes of this Plan, the term Annuity Starting Date shall mean the first date of the period for which an amount is payable as an annuity to an employee as provided under Section 72(c)(4) of the Internal Revenue Code and regulations thereunder which is the effective retirement date of the participant.

APPENDIX A

(HOURLY-RATE EMPLOYEES PENSION PLAN)

A Benefit Class Code for the sole purpose of this Plan is hereby established for each job classification in effect on September 14, 2003 on the basis of the maximum base hourly rate (which term as used herein shall include incentive earnings unless otherwise noted) applicable to the job classification on that date, as follows:

	For Job Classifications Having a Maximum Base Hourly Rate of	Benefit Class Code
On or after September 16, 2002 but prior to October 6, 2003	Less than $23.64	A
	$23.64 but less than $23.91	B
	$23.91 but less than $25.05	C
	$25.05 and over	D
On or after October 6, 2003 but prior to September 19, 2005	Less than $25.64	A
	$25.64 but less than $25.91	B
	$25.91 but less than $27.05	C
	$27.05 and over	D
On or after September 19, 2005 but prior to September 18, 2006	Less than $26.15	A
	$26.15 but less than $26.43	B
	$26.43 but less than $27.59	C
	$27.59 and over	D
On or after September 18, 2006	Less than $26.93	A
	$26.93 but less than $27.22	B
	$27.22 but less than $28.42	C
	$28.42 and over	D

(1) The Benefit Class Code applicable to an employee is the Benefit Class Code for the job classification held by the employee for the greatest number of calendar days during the 24 consecutive months immediately preceding the last day worked.

(2) The Benefit Class Code to be established for any new job classification put into effect after September 14, 2003 shall be whichever Benefit Class Code is applicable to other job classifications having the same maximum base hourly rate on the date that such new job classification is put into effect. With respect to a job classification that was obsolete as of September 14, 2003 a hypothetical maximum base hourly rate applicable thereto shall be determined by increasing the maximum base hourly rate for that job classification at the time of its discontinuance to the extent necessary so as to give effect to general wage increases (including cost-of-living allowance transfers) that have occurred since such discontinuance, and the Benefit Class Code for such classification so derived shall be whichever Benefit Class Code herein is applicable to other job classifications having the same maximum base hourly rate on that date.

(3) For purposes hereof, the maximum base hourly rate of a job classification paid on a day-work basis at any plant or facility shall be the maximum straight-time hourly rate for that job classification at such plant or facility (excluding any cost-of-living allowance and premiums).

(4) The maximum base hourly rate of a job classification in effect on September 6, 1967 and paid under an incentive method of pay at any plant or facility shall be the average straight-time hourly earned rate (including incentive earnings and any wage increases and cost-of-living allowance transfers which, as of September 6, 1967, were not factored in the base rate of the job classification but excluding any cost-of-living allowance and premiums) for all hours worked by all employees in that job classification at such plant or facility for the period beginning September 5, 1966, and ending September 3, 1967, plus any wage increases and cost-of-living allowance transfers effective for that job classification subsequent to September 6, 1967.

In the event an employee is transferred to a job which results in a lower basic benefit rate, such employee's vested pension benefit, if any, shall not be less than the amount of such employee's accrued pension benefit on the date of such transfer plus benefits earned in the 12 consecutive months following the date of transfer.

APPENDIX B

For the sole purpose of Article III, Section 5 of the Plan, all approved job classifications set forth in the Local Wage Agreements as of September 14, 1973 of the Central Foundry Plants (currently GM Powertrain) - Danville, Illinois, Defiance, Ohio, Malleable Iron and Grey Iron, Saginaw, Michigan, are designated foundry jobs at the respective plant locations except for those job classifications listed herein for each such respective plant location. No other job classifications shall be designated foundry jobs.

GM Powertrain, Danville, Illinois

Bulldozer, Operator
Bus Person
Cashier
Cook
Crane Operator, Locomotive
Crane Operator-Yard & Bridge
Driver - Licensed Trucks - Tractor & Trailer
End Loader Operator
Kardex Clerk
Kitchen Help
Pattern & Maintenance Clerk
Pattern Storage and Transport
Salvage Reclaimer
Scrap Cutter - Torch
Shipping Clerk
Sprue Crane Hook Up
Stock Room Clerk
Stock Room and Receiving
Warehouse Attendant
Window Washer
Yard Labor
Yard Switchperson
Garage Mechanic
Machinist
Pattern Maker, Wood & Metal
Power House Operator

GM Powertrain, Defiance, Ohio

Bus Person
Cashier
Clerk - Pattern and/or Maintenance
Cook
Crane Operator - Locomotive
Dispatcher - Materials
Driver - Licensed Trucks - Tractor and Trailer - Semi
Heavy Equipment Operator
Inspection Department - Inspection (Special Assignment)
Kitchen Help
Locomotive Operator
Safety Equipment Repair
Salvage Reclaimer
(2) Shipping Clerk
Yard Labor
Blacksmith
Casting Layout
(3) Garage Mechanic
(1) Machinist
Pattern Maker - Leader
Pattern Maker - Wood & Metal
Shift Operating Engineer
Tool Grinder

(1) Designated as a foundry job only for those employees so classified who work in Plant 2, 816 Department.

(2) Designated as a foundry job only for those employees so classified who work in Plant #1, 539 Department.

(3) Designated as a foundry job only for those employees so classified who work in Plant #2, 816 Department, Battery Charge Area.

GM Powertrain Malleable Iron Plant, Saginaw, Michigan

Bull Dozer Operator
Bus Person
Cashier
Clerk - Pattern and Maintenance
Cook
Crane Operators - Locomotive
Driver-Licensed Trucks, Tractor, and Trailer
Kitchen Help
Salvage Reclaimer
Stock Room and Receiving
Yard Labor
Blacksmith
Core and/or Mold Maker - Experimental - Bench & Floor
Garage Mechanic
Inspector - Layout
Machinist - Maintenance
Machinist - Miscellaneous
(1) Machinist - Pattern
Pattern Maker - Leader
Pattern Maker - Wood and Metal
Power House Operator

(1) Designated as a foundry job only for those employees so classified who work in Department 16.

GM Powertrain Grey Iron Plant, Saginaw, Michigan

(1) Attendant - Pattern Storage
Attendant - Pattern Storage - Leader
Clerks - Receiving - (Includes Inspectors)
Crane Hooker or Signal Person
Crane Operator - Locomotive
Crib Attendant - Maintenance
Crib Attendant - Pattern Shop
Drill Press Operator
Driver - Licensed Passenger Cars
Drivers - Licensed Trucks - Receiving & Yard
(1) Equipment Operator - Special (Including Bay City Shovel, Bull Dozer, Pay Loader Shovel Operator)
Field Sand Gasoline Locomotive Operator
Flask Repair - Metal Flask
Flask Repair - Metal Flask - Leader
Gardener
Laborer - Yard - Maintenance - Leader
Labor - Yard - Maintenance - Railroad Track Repair
Locker Room Attendant
Milling Machine Operator - Driers
(2) Oiler - Machinery, Equipment and Motors
Power House Attendant
Receiving Department - Leader
Salvage - Flash Cutter
Crane Repair - (Also Operates Crane)
Crane Repair - Leader
Die Repair
Flask Welder
Grinder - Cutter
Grinder Operator - Blanchard
Inspector - Layout

GM Powertrain Grey Iron Plant, Saginaw, Michigan (cont'd)

Machine Repair - Machinist - Maintenance - Leader
Machine Repair - Machinist - Maintenance
Machine Repair - Machinist - Pattern Shop
Power House - Engineer - Class "B"
Power House - Fireperson
Power House - Repair
Power House - Repair - Leader
Truck Repair - Gas
Truck Repair - Gas - Leader
Truck Repair - Gas and Electric
(3) Welder - Maintenance - Gas & Arc
Welder - Tool and Die

(1) Designated a foundry job only for credited service accrued on and after July 27, 1987.

(2) Not designated as a foundry job for those employees so classified who work in Department 32.

(3) Not designated as a foundry job for those employees so classified who work in Department 30.

Appendix B

Any job classification in effect at a plant specified in Appendix B that was discontinued at such plant prior to September 14, 1973 shall be designated a foundry job if the work that was performed by employees on such discontinued job classification shall conform substantially to work performed at the same plant by employees on a job classification designated as a foundry job for such plant.

APPENDIX C

For the sole purpose of Article III, Section 7 of the Plan, only those job classifications specifically listed herein, which are set forth in the Local Wage Agreement in effect as of October 1, 1979 at Delco Moraine Division, Dayton, Ohio, may be designated asbestos jobs. Such designation as an asbestos job will apply only to these classifications at the above-specified plant location under the conditions specifically set forth herein. No other job classifications shall be designated asbestos jobs.

Delco Moraine Division, Dayton, Ohio

The following job classifications involved in the blending and processing of raw asbestos are designated asbestos jobs for employees so classified who are assigned to Departments 73M, 515, 523, and 530.

Experimental Lining
Extruding Machine Operator
Janitors
Job Setter
Lining-Grinder
Machine Cleaners
Preform of Disc Brake Linings
Production Heat Treat Linings
Protective Coating Operator
Sensor Riveters
Stock Handler
Weigh and Mix Materials

APPENDIX D

AGREEMENT IMPLEMENTING SECTION 3(C) OF THE SUPPLEMENTAL AGREEMENT, PENSION PLAN, DATED SEPTEMBER 18, 2003 BETWEEN GENERAL MOTORS CORPORATION AND THE UAW

ESTABLISHED BY BOARD OF ADMINISTRATION

Pursuant to Section 3(c) of the Supplemental Agreement Pension Plan, dated September 18, 2003, between General Motors Corporation and the International Union, UAW, the following provisions are hereby established by the Board of Administration, hereinafter referred to as the Board:

A. PENSION COMMITTEES

1. There shall be established for each location having a bargaining unit or units covered by the terms of the National Agreement between the parties dated September 18, 2003, a Pension Committee consisting of members appointed by the GM Department of the International Union and members located at a Pension Administration Center, hereinafter referred to as the Center, as delegated by the GM Employee Benefits Staff of the Corporation.

2. The Pension Committee Union members shall have an alternate. Meetings or participation through conference calls of the Committee shall be arranged by mutual agreement, and in the event a member is absent, the alternate may attend and when in attendance shall exercise the duties of the member.

3. The individual appointed by the Union as a member or alternate shall be an employee of the Corporation, having at least one year of seniority, and working at the plant where, and at the time when, such employee is to serve as a member of the Pension Committee.

4. Either Employee Benefits or the International Union at any time may remove a member or alternate appointed by it and appoint a member or alternate to fill any vacancy among members or alternates appointed by it.

5. The names of the Union members and alternate members of the Pension Committees shall be given in writing by the GM Department of the International Union to Employee Benefits of the Corporation. No such member of the Committee or such alternate member shall function as such until such written notice has been given.

6. The names of the Corporation members appointed by Employee Benefits and alternate members of the Pension Committees shall be given in writing by Employee Benefits to the GM Department of the International Union.

7. Under usual circumstances, in plants employing 600 or more employees, the union benefit representative who functions in the Benefit Plan district in which a retiring employee or an employee who raises a problem works will serve as the Union member of the Pension Committee with respect to that employee's case.

8. A Union member of the Pension Committee shall, after reporting to such Union member's supervisor, be granted permission to leave work during working hours without loss of pay to:

(a) attend meetings or participate in conference calls of the Pension Committee,

(b) confer in the plant with an employee who requests the presence of the Union member of the Pension Committee to discuss matters with respect to eligibility for retirement or the computation of pension

benefits in connection with such employee's pending retirement and to discuss any disputes relative to credited service, or

(c) confer in the plant with a retired employee or surviving spouse who requests the presence of the Union member of the Pension Committee to discuss matters with respect to such person's eligibility for benefits or the computation of such benefits.

Such permission shall be granted with the understanding that the time will be devoted to the prompt handling of such matters.

With respect to a request made in accordance with paragraphs (b) and (c) above, permission shall be granted in a timely manner consistent with the circumstances and nature of the request.

Consistent with the purpose of this procedure, a rule of reason should be applied in determining whether an employee should be excused from a job in order to confer with the Union member of the Pension Committee. A rule of reason should likewise be applied when, due to production difficulties, excessive absenteeism, or other emergencies, it will not be possible to immediately relieve the employee from a job. On many jobs, discussion between the employee and the Union member of the Pension Committee is entirely practical without the necessity for the employee being relieved. On the other hand, an employee working on a moving conveyor, in an excessively noisy area, or climbing in and out of bodies, should be permitted a reasonable period of time off the job and a suitable place in which to discuss the pension question as set forth in (b), above, with the Union member of the Pension Committee. A suitable place in which to discuss such issues also should be permitted a retiree or surviving spouse. This shall not interfere with any local practice which is mutually satisfactory.

B. RETIREMENTS

1. Normal Retirement or Early Retirement (Employee Option)

Application for a pension benefit under the provisions of the Pension Plan for normal or early retirement at the option of the employee shall be made by contacting the Center for a retirement package. The retirement package will be provided to the employee or Union member of the Pension Committee as requested. The retirement package contains all documents necessary to initiate a retirement.

2. Early Retirement Under Mutually Satisfactory Conditions

(a) When an employee is to be retired under mutually satisfactory conditions, the retirement package will be prepared by the Center and sent to the Union member of the Pension Committee or Personnel Director, as requested, in accordance with the procedures in Section D.

(b) Retirement under mutually satisfactory conditions will be determined based solely on the Standards as set forth in the Pension Plan applicable to such retirement, only upon the written approval of the Personnel Director or the designated representative of the Personnel Director, and acknowledged in writing by the employee on form HRP-9M.

(c) Neither the Pension Committee nor the Board shall have any jurisdiction with respect to any questions as to whether any employee retired at the employee's own option or under mutually satisfactory conditions under the Standards set forth in the Pension Plan.

3. Total and Permanent Disability Retirement

(a) Employees with seniority may apply for a total and permanent disability retirement (T&PD) on form HRP-15, "Application for Total and Permanent Disability Benefits". Such forms will be available through the Center or the Union member of the Pension Committee.

(b) The employee will supply a physician's statement and other necessary information on form HRP-15 and submit the form to the Center. The Center will furnish one copy of the front side of form HRP-15 to the Union member of the Pension Committee.

(c) An employee with seniority who has a terminal condition may apply immediately for T&PD retirement as provided in paragraphs (a) and (b) above. In the event such employee has been on leave at least one month and the cause of death is directly or indirectly a result of the terminal condition which gave rise to the disability leave of absence (for example, excluding death as a result of homicide, suicide, or accidental death), and who has applied for retirement prior to death, shall not disqualify an otherwise eligible surviving spouse from receiving a benefit. Notwithstanding the foregoing, effective October 1, 1999, (a) in the case of an occupational injury or disease incurred in the course of employment with the Corporation resulting in death, neither the one-month period nor the leave of absence requirement shall apply, and (b) in the case of a terminal condition as such term is used and qualified in this paragraph, the one-month period shall not apply.

(d) The Center will notify each employee who has been absent for five (5) continuous months, because of disability, of such employee's possible eligibility for T&PD pension. The Union member of the Pension Committee will be furnished a copy of the employee's

notification letter. If such absence continues for a period of nine (9) full months because of disability and the employee has not applied for T&PD pension, the Center will again notify the employee of such employee's possible eligibility for such pension and will furnish a copy of the employee's notification to the Union member of the Pension Committee.

(e) When it becomes necessary to determine whether an employee is totally and permanently disabled within the meaning of the Pension Plan, the following procedure shall govern:

(1) The Corporation will make such determination upon the basis of medical evidence satisfactory to it within 45 days of receipt of the employee's application for T&PD retirement (unless special circumstances require an extension of time and written notice of the need of an extension is provided). If it is determined that the employee is totally and permanently disabled, the Center will process the application in accordance with the procedures set out in Section D., "Authorization for Pension Benefits".

If it is determined that the employee is not totally and permanently disabled, the Center will prepare form HRP-22, "Notice of Corporation Determination - Application for Total and Permanent Disability Benefits". Copies of such form will be furnished to the employee and the Union member of the Pension Committee. The Center also will furnish the Union member of the Pension Committee with a copy of the reverse side of form HRP-15, "Statement of Employee's Physician".

(2) If the employee is denied a T&PD retirement due to medical disqualification as defined in Article II, Section 3(b) of the Plan, the employee will have at least 180 days, but in no event more than 210 days, following receipt of the denial to appeal such denial by writing to the Plan Administrator at P.O. Box

5014, Southfield, Michigan, 48086-5014. The Plan Administrator has the authority to construe and interpret Plan language and render decisions on behalf of the Corporation. The employee should include in the appeal the reason(s) the employee believes the application was improperly denied, along with any additional comments, documents and medical records relating to the employee's appeal. If the employee is denied a T&PD retirement for reasons other than medical disqualification, the employee may appeal by initiating the procedure set forth in Section K of this Appendix D within the 180 day period, including the 180th day. The response to the appeal will be provided within a reasonable time but not later than 45 days (90 days if special circumstances require an extension of time and written notice of the need of an extension is provided) after the request for review is received.

The GM Medical Director will evaluate the medical information pertaining to the employee's T&PD appeal and make a determination in accordance with the provisions of the Plan. The GM Medical Director has discretionary authority in this process to construe, interpret, and make medical evaluation on behalf of the Corporation regarding the employee's T&PD application.

The Plan Administrator will advise the employee of the appeal determination on form HRP-21B, "Plan Administrator's Appeal Determination of Total and Permanent Disability", within a reasonable time, but not later than 45 days (90 days if special circumstances require an extension of time and written notice of the need of an extension is provided) after the employee's appeal is received. a copy of form HRP-21B will be provided to the Union member of the Pension Committee. Upon written request, the employee may request, free of charge, copies of relevant documents, records and other pertinent information pertaining to their appeal.

In the event the employee's appeal is denied, in whole or in part, the employee may follow the Voluntary Appeal Process under Appendix D, Paragraph B(3)(e)(3) of the Plan or the employee has the right to bring civil action under Section 502(a) of the Employee Retirement Income Security Act (ERISA) of 1974.

(3) Voluntary Appeal Process - If the employee or the Union member of the Pension Committee disagrees with the GM Medical Director's determination regarding medical disqualification for a T&PD retirement, an appeal of such determination may be made in writing to the Center within 30 days, including the 30th day, of receipt of the determination on form HRP-21B, "Plan Administrator's Appeal Determination of Total and Permanent Disability". A copy of form HRP-21B will be provided to the Union member of the Pension Committee. The Pension Committee shall then designate a clinic in the area, which is on the approved list (Appendix D-1), to examine the employee and determine whether the employee is totally and permanently disabled pursuant to Article II, Section 3(b) of the Plan.

(4) Prior to the clinic examination referred to above, the Center will prepare form HRP-21, "Determination of Total and Permanent Disability", and will furnish one copy to the clinic, one copy to the employee and one copy to the Union member of the Pension Committee. An employee, whose General Motors employing unit is more than 40 miles one way from the clinic in the area on the approved list designated by the Pension Committee to examine the employee to make a determination as to whether the employee is totally and permanently disabled, will be reimbursed, upon written request, at the rate of 36 cents per mile for miles actually driven from the employee's residence to such clinic and back, using the most direct route available.

(5) The clinic, after examining the employee, shall make a determination if the employee is totally and permanently disabled. Such determination shall decide the question and shall be final and binding on the employee, the Corporation and the Union. Pursuant to ERISA, the employee may seek court review subject to the above.

(6) Upon receipt of any clinic determination, the Center will complete form HRP-21A, "Notice of Clinic Determination - Total and Permanent Disability", furnish copies to the employee and the Union member of the Pension Committee, and retain a copy in the employee's pension file. If the clinic determination is that the employee is not totally and permanently disabled, form HRP-21A shall instruct such employee to report to the Plant Medical Director for examination.

(7) If the clinic, after examining the employee, determines that the employee is not totally and permanently disabled, the Plant Medical Director will examine the employee to determine whether the employee is able to perform a job in the plant. Where the employee has no home unit, the clinic determination will be final and binding on the employee, the Corporation, and the Union. The employee's name will be submitted to the National Employee Placement Center for placement.

(8) If the Plant Medical Director, after examining the employee, determines that the employee is able to perform a job in the plant, the employee will be deemed by the Corporation not to be totally and permanently disabled within the meaning of the Pension Plan. Such job will be identified in writing to the employee with a copy to the Union member of the Pension Committee.

(9) If the Plant Medical Director, after

examining the employee, determines that the employee is not able to perform any job in the plant, the employee will be deemed by the Corporation to be totally and permanently disabled within the meaning of the Pension Plan.

In connection with this Voluntary Appeal Process, the Plan waives the right to assert that a claimant has failed to exhaust administrative remedies because the employee did not elect to submit their appeal to this voluntary level of appeal. The Plan agrees that any statute of limitations or other defense based on timeliness is tolled during the time the voluntary appeal is pending.

(f) When it becomes necessary to determine whether a disability pensioner continues to be totally and permanently disabled within the meaning of the Pension Plan, the following will implement the provisions of Article II, Section 3(c) of the Plan:

(1) The Corporation will make such determination upon the basis of medical evidence satisfactory to it. If it is determined that the pensioner is no longer totally and permanently disabled, the Corporation will prepare form HRP-23, "Notice of Corporation Determination - Cessation of Total and Permanent Disability Benefits", and will furnish copies to the disability pensioner, the Union member of the Pension Committee, the local Personnel Director, and two copies to the Board.

(2) If the Union member of the Pension Committee disagrees with the Corporation's determination, the procedure described in Paragraph B3(e) will apply.

(g) When it is found that a disability pensioner is employed, the Corporation will make such investigation as it considers appropriate to determine if

the pensioner is engaged in gainful employment for purposes other than rehabilitation. If the Corporation determines, on the basis of evidence satisfactory to it, that the employment in which the disability pensioner is engaged is gainful employment and is not for purposes of rehabilitation, the Corporation will prepare form HRP-23 and will furnish copies to the disability pensioner, the Union member of the Pension Committee, the local Personnel Director, and two copies to the Board.

(1) If such pensioner disputes the Corporation's determination on the basis that the employment is not gainful employment, such determination may be appealed by filing a written claim with the Pension Committee as set forth in Section K herein.

(2) If such pensioner disputes the Corporation's determination on the basis that the employment is for purposes of rehabilitation, such pensioner may, within 30 days of receipt of such determination, file a written claim with the Center on form BA 1, "Employee Claim to Pension Committee". The Pension Committee shall then designate a clinic in the area, which is on the approved list (Appendix D-1), to examine the pensioner. The opinion of the clinic shall decide the question with respect to whether the employment in which the disability pensioner is engaged is rehabilitative or not and such opinion shall be final and binding on the pensioner, the Corporation and the Union. Such clinic exam shall not be performed if there is any unresolved claim pending with respect to whether such pensioner's employment is gainful employment.

(h) If a disability pensioner returns to work for the Corporation, the local Personnel Director or

designee will notify the Union member of the Pension Committee and the Center of such return to work. When the former employee returns to work, the local Personnel Director or designee will furnish such former employee with a copy of the Summary Plan Description, "What You Should Know About Your Benefits" booklet and a copy of the "Local Seniority and Wage Agreement".

(i) When a former employee who has retired under total and permanent disability provisions asserts such retiree has recovered and notifies the Corporation of their intent to return to work, the following procedure will be utilized:

(1) The retiree will provide medical evidence to the Plant Medical Director, satisfactory to the Corporation, that supports that such retiree is no longer T&PD. The information will include, among other relevant information, a narrative report that details what has improved and why the condition under which such retiree was determined to be T&PD no longer exists or no longer disables the retiree. Documentation will include appropriate lab reports and/or test results.

(2) If necessary, the Plant Medical Director may examine the retiree to determine if the retiree has recovered.

(3) If the Plant Medical Director determines the retiree has recovered and is able to engage in regular employment on a job within the plant, the Plant Medical Director will review the matter with the Corporation. If the Corporation agrees, the retiree is to be removed from T&PD status and seniority will be treated as set forth in Exhibit A, Section 4(b) of the Supplemental Agreement (Pension Plan), and the retirement is to be cancelled. The Plant Medical Director will advise the retiree, the Union Benefit Representative (UBR), and the Center.

(4) If the Plant Medical Director determines

that the retiree has not recovered and should remain on T&PD retirement, the retiree will continue in T&PD status under the Pension Plan. The Plant Medical Director will advise the retiree, the UBR and the Center.

(5) If the retiree disagrees, the retiree may contact the UBR. If the UBR disagrees with the Plant Medical Director's determination, the UBR will forward the case, with all pertinent medical information, to the International Representative in the UAW-GM Department. The International Representative may forward the case to the GM Employee Benefits (EB) Staff. After reviewing the case with the Corporate Medical Director, the GM EB Staff will provide the International Representative with the Corporate Medical Director's decision of why the retiree has not recovered and is not able to engage in regular employment on a job within the plant. If the International Representative disagrees with the determination of the Corporation, the International Representative and the GM EB Staff may agree to schedule an exam with an impartial specialist physician selected by the Plant Medical Director or, in the absence of such agreement, the GM EB Staff will advise the Plant Medical Director to schedule an exam with an impartial clinic in the area which is on the approved list (Appendix D-1). However, in all cases where the retiree has been retired for five or more years, the retiree will be sent to an impartial specialist approved by the GM EB Staff and the International Representative. The impartial clinic or physician will determine whether the retiree has recovered and is able to engage in regular employment on a job within the plant. The decision of the impartial clinic or physician is final and binding on the retiree, the Union and the Corporation.

If the impartial clinic determines the retiree remains totally and permanently disabled, the former employee remains retired and cannot reapply to return to

work unless there is a substantial change in the retiree's medical condition subsequent to the initial request to return to work. If the impartial physician determines the retiree has recovered and is able to engage in regular employment on a job within the plant, the retiree is to be removed from T&PD status and seniority will be treated as set forth in Exhibit A, Section 4(b) of the Supplemental Agreement (Pension Plan). The Plant Medical Director will advise the retiree, the Union Benefit Representative and the Center of the determination.

C. PENSION BENEFITS TO SURVIVING SPOUSE

1. An employee who retires prior to age 55 with benefits commencing on or after October 1, 1970, excluding 1) an employee with 30 or more years of credited service who retires with benefits commencing on or after October 1, 1974, or 2) an employee retiring with benefits commencing on or after October 1, 1984, as early as age 50 under mutually satisfactory conditions in accordance with the Standards set forth in the Pension Plan, will be informed by the Center prior to age 55 with respect to surviving spouse coverage. The retired employee for whom such surviving spouse coverage is to be effective must advise the Center of the intent to reject the coverage, on a form approved by the Corporation, "Rejection/Election of Survivor Coverage", which includes the written consent of the pensioner's spouse that informs the spouse of the effect of rejection, and that is witnessed by a notary public, and filing it with the Center, during the month prior to the month in which the pensioner attains age 55.

An employee who is married when the surviving spouse coverage would otherwise become effective, but who has been married less than one year at that time, may elect such coverage to become effective on the one-year anniversary of the marriage. The applicable

reduction in the retiree's pension benefit shall commence on the first day of the month following the one-year anniversary date.

2. Pre-retirement survivor coverage is provided to a former employee who separated from service pursuant to the provisions in Article II, Section 11(j). The former employee shall submit proofs as provided in Paragraph C3 below and complete the retirement package.

A former employee with deferred vested eligibility who initiates commencement of such benefit will have automatic surviving spouse coverage in effect at the time of the employee's break in seniority unless rejected by the former employee and spouse and witnessed by a notary public.

3. An employee, or former employee, for whom the surviving spouse coverage is to be effective must submit, prior to the effective date, satisfactory proof to the Center:

(a) of the date of birth of the designated spouse,

(b) that the employee and spouse have been married for at least one year prior to the effective date of the coverage, and

(c) the spouse's Social Security number.

4. An employee's surviving spouse who is eligible for surviving spouse benefits under the Pension Plan, following the death of such employee prior to the employee's retirement, must submit to the Center the proofs required under (a), (b) and (c) of Paragraph C3 above and complete the retirement package, prior to commencement of such benefits.

5. In the event of the death of the employee's designated spouse, a retired employee, or former

employee, who has surviving spouse coverage in effect may have the basic benefit restored to the amount payable without such coverage. To have the basic benefit restored, a pensioner must submit to the Center a copy of the Death Certificate for such spouse. (For deaths on or after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death.)

In the event of the employee's divorce by final court decree from the designated spouse and (1) a Qualified Domestic Relations Order so provides, or (2) a written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, an employee who has surviving spouse coverage in effect may have the basic benefit restored to the amount payable without such coverage. To have the basic benefit restored, the pensioner must submit to the Center written revocation of the election because of divorce on a form approved by the Corporation.

In either case, a notice indicating the adjusted monthly benefit amount resulting from revocation of the surviving spouse coverage will be provided to the retired employee and to the Union member of the Pension Committee.

6. An employee who retired with benefits payable commencing prior to October 1, 1970 and who has surviving spouse coverage in effect (excluding a special survivor option) and who is divorced by final court decree and (1) a Qualified Domestic Relations Order so provides or (2) written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, may elect to receive the full amount of any increase in benefits

otherwise payable effective on or after April 1, 1971. To receive the full amount of any such increase, the pensioner must submit to the Center written revocation on a form approved by the Corporation. A notice indicating the adjusted monthly benefit amount resulting from revocation of the surviving spouse coverage will be provided to the retired employee and to the Union member of the Pension Committee.

7. Effective October 1, 1979, an employee who retired with benefits commencing on or after January 1, 1962, who had not previously rejected surviving spouse coverage for which such employee was eligible, and who marries or remarries, may elect or re-elect such coverage, following satisfactory proof of marriage. (For elections effective January 1, 1997 and thereafter, such coverage shall become effective on the one year anniversary of the marriage.) In the event a retired employee marries or remarries on or after October 1, 1996, the completed documents required in Paragraph C3 above must be received by the Corporation on or before the retired employee's eighteen month anniversary of marriage. The applicable reduction in the retiree's pension benefit shall commence on the first day of the month following the one-year anniversary date.

To obtain surviving spouse coverage, the pensioner must submit to the Center a completed form HRP-60, "Notice Relating to Survivor Coverage". A notice indicating the adjusted monthly benefit amount resulting from election or reelection of surviving spouse coverage will be provided to the retired employee and to the Union member of the Pension Committee.

Effective October 1, 2003, a retiree who marries or remarries and adds such retiree's spouse to health care or life insurance coverage within 12 months of such marriage or remarriage will be deemed to have automatically elected surviving spouse coverage.

effective with the one year anniversary of such marriage or remarriage and the applicable reduction in the retiree's benefit will commence, provided eligibility is met. In no event, shall such election be effective if the retiree previously rejected survivor coverage.

Prior to the one year anniversary date, the Center will mail Form HRP-60A to the retiree notifying the retiree of their right to revoke the coverage.

If the retiree contacts the Center after the one-year anniversary date to revoke the coverage, but not later than 18 months from the date of marriage, the Center will re-mail Form HRP-60A and inform the retiree that notarized spousal consent is required to waive coverage. The cost of coverage is recoverable from the first of the month following receipt of required documentation but the election is irrevocable if such Form HRP-60A is received after 18 months of marriage.

D. AUTHORIZATION FOR PENSION BENEFITS

1. Following the employee's application to retire in accordance with B1 or approval to retire in accordance with B2 or B3, the Center will prepare a retirement package which includes the employee's monthly benefit amounts, signed by management, and attachments, and forward such package to the requester. In order to allow the employee's pension payment to commence on the effective date of the retirement, the employee should apply for retirement a minimum of 60 days in advance of the desired date of retirement. At the time of the request to retire, the Center needs to be provided with the required personal data that would enable the Center to create a retirement package, e.g., Social Security numbers, birth dates and marriage date, if applicable. Upon receipt of the request to retire (through either a written or phone request), the Center should mail a

retirement package to the requester in ten business days except in circumstances (1) requiring credited service audits, (2) calculations impacted by service with a former GM unit, or (3) Qualified Domestic Relations Orders (QDRO's). The Center, in such cases, will mail the packages within ten business days following the resolution of the applicable issue.

2. To commence the pension payment on the employee's desired retirement date, the Center must receive the completed retirement forms at least 30 days in advance of the retirement date. In cases where the Center does not mail the retirement package within ten business days, but the requester returns the completed package to the Center at least 30 days prior to the retirement date, the Center will assure a timely payment or a "special check", if necessary, during the weekly processing of such payments.

3. The Union member of the Pension Committee will review the retirement package and arrange for the employee's review. The employee and Union member of the Pension Committee will sign the applicable forms.

4. The Pension Committee shall have authority, consistent with all of the provisions of the Pension Plan (Exhibit A-1) and the Supplemental Agreement (Exhibit A) dated September 18, 2003, to approve authorizations for pension benefits. The Pension Committee shall pass upon all authorizations for benefits under the Pension Plan for employees covered by this Agreement after the necessary information for proper consideration of such authorizations has been supplied to the employee and Union member of the Pension Committee by the Center from its records and other sources, but prior to the payment of any pension due the employee.

5. The Union member of the Pension Committee will provide a signed copy of applicable retirement forms to the retiring employee and forward the original forms and required documents to the Center.

6. When sickness and accident benefits become payable to an employee, or retired employee, for any period beyond the authorized commencement date of such employee's monthly pension benefits, and that fact has not been noted on the authorization form, the Center will notify the pensioner and the Union member of the Pension Committee of any suspension of pension benefits for the maximum period such sickness and accident benefits are payable and, if applicable, the reduction of the pension benefit payable for the month in which sickness and accident benefits expire. If it is determined subsequently that sickness and accident benefits are not payable for the maximum period, the Center will provide notification to the pensioner and to the Union member of the Pension Committee. The Union member of the Pension Committee will be advised of any reinstatement of pension benefits following the known expiration date of sickness and accident benefits.

E. REDETERMINATION OF BENEFITS

1. The Center will prepare and provide benefit adjustment communications when redetermination of benefits is required because of:

(a) the surviving spouse coverage becoming effective upon attainment of age 55 for employees retired with benefits commencing on or after October 1, 1970, or

(b) surviving spouse coverage becoming effective upon one year of marriage for pensioners married less than one year when such coverage otherwise would have been effective, or

(c) revocation of surviving spouse coverage due to death or divorce of a previously designated spouse, or

(d) surviving spouse coverage becoming effective after marriage or remarriage subsequent to retirement, or

(e) a reduction of benefits due to receipt of Workers Compensation benefits, or

(f) eligibility of a pensioner or surviving spouse under age 65 to receive a special benefit, or

(g) eligibility or ineligibility, whichever may be applicable, for a Federal Social Security benefit for disability.

2. When redetermination of benefits is required because of adjustment of credited service, change of benefit class code, base hourly rate, or age with respect to an employee who has retired with benefits, the Center will prepare and provide benefit adjustment communications.

3. A pensioner retired at the employee's option or under mutually satisfactory conditions or the total and permanent disability provision of the Plan shall furnish the Center an authorization to periodically request from the Social Security Administration such pensioner's Social Security disability insurance benefit status. A pensioner retired under the total and permanent disability provisions of the Plan and not receiving a supplement shall furnish the Center an authorization to periodically request from the Social Security Administration a report of any after-retirement earnings such employee may have received prior to age 65 or 62, as applicable.

4. If it is determined that a pensioner received an overpayment of benefits because of receipt of a retroactive Social Security Disability Insurance Benefit

award, such pensioner will provide the Center with evidence from the Social Security Administration establishing the date disability insurance benefits commenced.

If such evidence is not submitted by the pensioner within a reasonable period following request by the Center, any benefits payable to the pensioner under the Plan will be suspended upon notification to the pensioner and the Union member of the Pension Committee.

5. (a) When the evidence is received so that a calculation of overpaid benefits can be made, the pensioner will be requested to repay promptly the amount of overpaid benefits in a lump sum. Upon receipt of the repayment, benefits will resume if previously suspended.

If the pensioner received an overpayment of benefits because of receipt of a retroactive Social Security Disability Insurance Benefit award and the amount of overpayment is not promptly repaid in a lump sum, a deduction shall be made from future monthly benefits equal to 50% of the total amount of such monthly benefits until the total amount suspended equals the overpayment.

In cases of overpayments because of fraud or willful misrepresentation with respect to receipt of Social Security disability insurance benefits, if the pensioner does not repay promptly the full amount of overpayment in a lump sum, 100% of the pensioner's monthly benefits otherwise payable shall be suspended until the total amount suspended equals the overpayment.

(b) On or after October 1, 1987, if the pensioner receives a retroactive Social Security Disability Insurance Benefit (DIB) award resulting from a

Reconsideration or Hearing before an administrative law judge, the amount of pension benefits to be repaid will be reduced by an amount equal to any attorney fees, paid by the pensioner, associated with the award, provided the employee makes such repayment within 30 days of the date of notification by GM of the amount to be repaid. This reduction applies only to attorney fees associated with a successful appeal of a denial of DIB, and includes only that portion of such fees associated with the period of time the employee was entitled to receive pension benefits. Any such reimbursement for any such fees may not exceed 25 percent of the amount of any overpayment as of the first of the month immediately following the month in which the pensioner is notified by Social Security of the DIB award. Attorney fees incurred for services received prior to denial of the initial application for DIB will not reduce the amount of repayment due.

6. In cases of overpayment because of a retroactive Social Security Disability Insurance Benefit award, a letter showing the amount of the overpayment as well as the current benefit payable will be provided to the retired employee and the Union member of the Pension Committee.

F. DEFERRED PENSION BENEFITS

1. When the seniority of an employee who has 5 or more years of credited service or "service" as defined under Article III, Section 6(d) is broken for any reason except death or retirement, the Center will prepare form HRP-11G, "Monthly Deferred Vested Pension Benefits".

2. The Center will forward the HRP-11G, an explanation letter, and a copy of the early commencement age reduction factor table directly to the former employee.

3. In order to receive deferred vested benefits under the Pension Plan, such former employee shall call or write the Center to apply for commencement of such benefits. Such application must be made with the Center not earlier than 90 days prior to the date the former employee is first eligible for such benefit. However, surviving spouse coverage is automatic unless rejected and will become effective concurrent with commencement of benefits. Such former employee must, prior to the requested commencement date, so advise the Center, so that a retirement package can be provided to the former employee. The former employee must complete the forms and return them, along with required documents as provided for in Paragraph C3, to the Center.

G. DEDUCTIONS BECAUSE OF WORKERS COMPENSATION PAYMENTS

If an employee retired with benefits payable commencing on or after April 1, 1971 receives Workers Compensation not specifically excluded from offset under the Pension Plan, the Center will prepare a benefit adjustment communication, to effect deductions from pension benefits equal to the amount of the Workers Compensation payable.

H. CREDITED SERVICE

1. Establishment of Credited Service

(a) An employee who is employed or reemployed by the Corporation may request the establishment of credited service for prior periods of Corporation employment or the reinstatement of lost credited service by completing and executing form HRP-17A, "Employee's Request for Additional Credited Service", and forwarding it to the Center.

(b) An employee may apply for additional credited service under provisions of Article III of the Pension Plan by completing form HRP-17A, "Employee's Request for Additional Credited Service", and forwarding it to the Center. A copy of such completed HRP-17A will be furnished to the Union member of the Pension Committee.

The Center will notify the employee of its determination under (a) or (b) immediately above on form HRP-17B, "Notice of Corporation Determination - Employee's Special Request for Additional Credited Service". One copy will be furnished to the Union member of the Pension Committee.

(c) The records of a plant, whether of the Corporation or of a company acquired by the Corporation prior to October 1, 1950, as referred to in Article III, Section 1(c) of the Pension Plan dated September 21, 1984 (Exhibit A-1) in which an employee claims service, shall be presumed to be conclusive of the facts concerning such employee's employment, if any, unless shown beyond a reasonable doubt to be incorrect.

2. Annual Statement of Credited Service

(a) Not later than April of each year, employees will receive a statement of credited service showing the employee's credited service under the Pension Plan for the preceding calendar year and the total of such credited service up to the end of the preceding calendar year as indicated by the Corporation records.

(b) The record of the employee's credited service, as shown on the annual statement of credited service, will be established as correct. However, if the employee believes the credited service for the preceding calendar year is incorrect, such employee shall bring the matter to the Center's attention after receipt of such statement. The Center will check such claims of

incorrect credited service and advise the employee of its findings. If the employee is not satisfied with the determination, such employee may refer the matter to the Union member of the Pension Committee by filing a claim on form BA 1 within 30 days after receipt of such determination. Such claims will be handled in accordance with the appeal procedure provided herein.

I. RECORDS

1. The Corporation shall keep and be responsible for records of the Pension Committee relating to applications for pension benefits, approved authorizations for pension benefits and dispute cases. Such records shall be made available to the Pension Committee upon request of the Committee members.

2. The Corporation shall keep and be responsible for records of the Board relating to all material referred to the Board. Such records and material shall be made available to the Board upon request of any of its members.

J. GENERAL

1. Errors will be corrected when found. In the event of overpayment of any supplement or temporary benefit because a reduction was not made because of the receipt of Social Security Disability Insurance Benefits, or the basic benefit was not reduced for surviving spouse coverage, in either case resulting solely from a management error occurring on or after October 1, 1979, pensioner or surviving spouse liability shall be limited to the repayment of the most recent 12 months of any such overpayment. Such limitation shall not be applicable to the repayment of any overpayment that might have occurred for any period prior to the date of such management error.

2. The Center will notify the Union member of the Pension Committee of the death of any pensioner.

K. APPEAL PROCEDURE

1. Any employee who disputes a determination with respect to such employee's (i) age, (ii) credited service under the Pension Plan, (iii) computation of pension benefits or supplements under the Pension Plan, (iv) partial or complete suspension of supplements, or (v) whether such employee is engaged in gainful employment except for purposes of rehabilitation, may file with the Center a written claim on form BA 1, "Employee Claim to Pension Committee". Such claim shall be filed within 60 days, including the 60th day, of receipt of such determination.

2. In all cases where the employee has filed a claim on form BA 1, the Pension Committee shall review such claim with the employee, return one copy of form BA 1 to the employee with a written answer to the claim and, if the claim is rejected, the reasons therefor.

3. If the employee is not satisfied with the answer, such employee may request the Pension Committee, in writing on form BA 1, to refer the case to the Board for decision. Such claim shall be filed with the Pension Committee within 60 days, including the 60th day, of the employee's receipt of such answer. The Pension Committee shall then forward form BA 1, with material pertinent to the case and the answer to the employee's claim, to the Board.

4. If the Pension Committee should fail to agree upon the disposition of any application or authorization, or of any claim filed by an employee, the case shall be referred to the Board for determination on form BA 2, "Notice of Appeal to Board of Administration". A written signed statement setting forth all the facts and circumstances surrounding the case, and any material

pertinent to the case, shall accompany the referral. Such statement may be submitted jointly by the members of the Pension Committee or separate signed statements may be submitted provided such statements are exchanged by the Pension Committee members prior to being submitted to the Board.

5. All material with respect to cases referred to the Board shall be submitted in duplicate and shall be mailed to the Secretary, Pension Board of Administration, Mail Code 482-B37-A68, General Motors Global Headquarters, 200 Renaissance Center, P.O. Box 200, Detroit, Michigan 48265-2000.

6. The Board shall advise the Pension Committee in writing of the disposition of any case referred to the Board by the Pension Committee. The Pension Committee shall forward a copy of such disposition to the employee.

7. Forms BA 1 and BA 2 for each appeal must be requested from the Secretary, Pension Board of Administration, Mail Code 482-B37-A68, General Motors Global Headquarters, 200 Renaissance Center, P.O. Box 200, Detroit, Michigan 48265-2000.

APPENDIX D-1

Clinics Approved to Render Examinations for Total and Permanent Disability Cases Employees Covered by National UAW or IUE-CWA Agreements

California

Z. Joseph Wanski, M.D.
1414 South Grand Avenue, Suite 456
Los Angeles, California 90015
Attn: Z. Joseph Wanski, M.D.
(213) 745-6047

University of California Hospitals Medical Center
350 Parnassus Avenue, Suite 607
San Francisco, California 94117
Attn: Kent Gershengorn, M.D.
(415) 476-6388

Kansas

University of Kansas City Medical Center
3901 Rainbow Boulevard
Kansas City, Kansas 66160-7306
Attn: Robert Rondinelli, M.D.
(913) 588-6777

Massachusetts

New England Medical Center
262 Tremont Street
Boston, Massachusetts 02116
Attn: Dr. Lam
(617) 636-8871

Michigan

Genesee County Internists Association
P.O. Box 4374
Flint, Michigan 48504
(810) 234-8665

Michigan (Cont'd.)

Midwest Health Center
5050 Schaefer Road
Dearborn, Michigan 48126
Attn: Jane Harvey
(313) 581-6009

Riverfront Complex, Ltd.
1134 S. Linden Road, Suite 8
Flint, Michigan 48532
Attn: Valerie or Trena
(810) 720-1700

University of Michigan, Medical Center
3116 Taubman, P.O. Box 0376
Ann Arbor, Michigan 48109-0376
Attn: Cheryl
(734) 936-5582

William Beaumont Hospital
Executive Health Services
Suite 140
3535 West 13 Mile Road
Royal Oak, Michigan 48073
Attn: Carol
(248) 551-7222

New Jersey and New York

Columbia-Presbyterian Medical Center
161 Fort Washington Avenue - Room 221
New York, New York 10032
Attn: Diane or Grace
(212) 305-1910

Occupational Health Services
51 Webster
North Tonawanda, New York 14120
Attn: Patty
(716) 692-6541

New Jersey and New York (Cont'd)

Occupational Medicine Program
Strong Memorial Hospital
601 Elmwood Avenue, Box 654
Rochester, New York 14641
(585) 275-7795

Ohio

Dr. Gary Fehrman
30 E. Apple Street - Suite 5254
Dayton, Ohio 45409
Attn: Jackie
(937) 208-4855

Oklahoma

McBride Clinic
1111 N. Dewey
Oklahoma City, Oklahoma 73103
Attn: Dr. Hess
(405) 552-9444 or
Appt Line: (405) 232-0341 Ext. 774

Pennsylvania

Dr. Leland Henery
4815 Liberty Avenue
Pittsburgh, Pennsylvania 15224
(412) 683-0034

Tennessee

Sanders Clinic
20 South Dudley, Suite 306
Memphis, Tennessee 38103
Attn: Internal Medicine Department
(901) 525-1438

Revised 9/03

STANDARDS FOR APPLICATION OF PROVISIONS REGARDING RETIREMENT UNDER MUTUALLY SATISFACTORY CONDITIONS

GENERAL MOTORS HOURLY-RATE EMPLOYEES PENSION PLAN

Article II, Section 2(b) of the General Motors Hourly-Rate Employees Pension Plan provides that an employee may be retired early under mutually satisfactory conditions providing such employee is otherwise eligible. The following standards have been adopted by the Corporation as a guide in the application of this provision.

Standards

A. An employee who is unable to work efficiently by reason of permanent disability:

The retirement must be in the best interest of the Corporation. It is also intended to benefit employees who are unable to work efficiently by reason of permanent disability. It contemplates that the efficiency of operation will be improved by reason of the retirement which may be the case in any of the following situations:

(1) The employee is no longer physically or mentally capable of performing such employee's work in an efficient and satisfactory manner.

(2) The employee, though still capable of performing such employee's work satisfactorily, is prevented by chronic physical illness or physical disability (less than total) from working regularly to the extent that efficiency of operation is interfered with.

(3) The employee's condition, based on medical evidence satisfactory to the Corporation, is such that,

although able to perform the duties of such employee's job efficiently and satisfactorily, such employee would thereby be jeopardizing personal health or that of fellow employees.

(4) The employee is on disability leave or is laid off because such employee is unable to do the work offered by the Corporation efficiently and satisfactorily although able to perform efficiently and satisfactorily other work in the plant to which the employee would have been entitled if such employee had sufficient seniority, and the employee's condition, based on medical evidence satisfactory to the Corporation, is expected to be continuous until normal retirement age.

B. An employee who is laid off from their last GM employment:

Retirement under mutually satisfactory conditions will be available to an employee who is laid off

(i) as a result of a plant closing or discontinuance of operations, or

(ii) whose layoff appears to be permanent,

and in either case has not been offered suitable work by the Corporation in the same labor market area in which the employee was last employed by the Corporation.

STATEMENT OF INTENT

Notwithstanding the provisions of Exhibit A, Section 3(c) of the General Motors Hourly-Rate Employees Pension Plan; Exhibit D, Articles V and VI of the Supplemental Unemployment Benefit Plan, and the Items Agreed to by GM-UAW SUB Board of Administration; and Exhibit E, Section 6(a) of the Guaranteed Income Stream Benefit Program, which deal with local union representatives for each of these benefit plan areas, the Corporation and the Union agree as follows:

1. Appointment of Benefit Representatives

(a) Local union benefit representative(s) and alternate(s) shall be appointed or removed by the GM Department of the International Union. Management benefit representative(s) shall be appointed or removed by management.

(b) Temporary replacement appointments may be made by the local union President for a minimum of one week and a maximum of four weeks. Replacement appointments for any absence in excess of four weeks also shall be made by the GM Department of the International Union. Replacement appointments in situations when the benefit representative(s) and alternate(s) are both absent but for less than one week and are on a leave of absence pursuant to the provisions of Paragraph 109 of the GM-UAW National Agreement may be made by the local union President. Any problems that may arise under this procedure may be discussed by the Corporation with the GM Department of the International Union.

(c) A local union benefit representative shall be an employee of the Corporation having at least one year of seniority, and working at the plant where, and at the time when, such employee is to serve as such

representative or alternate. No such representative or alternate shall function until written notice has been given by the GM Department of the International Union to the Corporation. In the case of temporary appointments, the notice should be given to local Management with additional copies forwarded to the GM Department of the International Union and the Corporation.

2. Number of Local Union Benefit Representatives

(a) In plants having a total of less than 600 employees, there may be one local union benefit representative and one alternate.

(b) In plants having a total of 600 but less than 1,200 employees, there may be two local union benefit representatives and two alternates.

(c) In plants having a total of 1,200 but less than 2,000 employees, there may be three local union benefit representatives and three alternates.

(d) In plants having a total of 2,000 but less than 5,000 employees, there may be four local union benefit representatives and three alternates. If such plants have a total of 1,400 or more employees on the second and third shifts combined, there may be five local union benefit representatives and two alternates.

(e) In plants having a total of 5,000 but less than 8,000 employees, there may be five local union benefit representatives and two alternates.

(f) In plants having a total of 8,000 but less than 10,000 employees, there may be six local union benefit representatives and two alternates.

(g) In plants having a total of 10,000 or more employees, there may be seven local union benefit representatives and two alternates.

The number of employees as used herein shall include active employees, employees on sick leave of absence, and employees on temporary layoff.

3. Of the total number of local union benefit representatives and alternates otherwise available, one or more representatives and alternates may be assigned to the second shift or third shift so long as the total number of representatives and alternates set forth in Paragraph 2 above is not exceeded.

4. When plant population changes occur which would increase or decrease the number of local benefit plan representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, unless such population change results from the discontinuance or addition of a shift or the opening or closing of a plant. In the event of a cessation of operations, the Corporation, at the request of the UAW General Motors Department of the International Union, will provide for the continuance of Benefit Representation. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the GM Department of the International Union.

5. Benefit Plan districts will be established by local mutual agreement. Only one local union benefit representative will function in a benefit district and will handle specified benefit plan problems raised by employees within that district pertaining to the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, and Guaranteed Income Stream Benefit Program agreements. An alternate will be permitted to function

in the absence of a local benefit plan representative on the benefit plan representative's shift.

6. Any local union benefit representative may function as the member of the Pension Committee, as the member of the local Supplemental Unemployment Benefit Committee, as a member of the Guaranteed Income Stream Benefit Committee or handle benefit problems under the Life and Disability Benefits Program and the Health Care Program with respect to employees in such representative's Benefit Plan district. An alternate may function in the absence of a local union benefit representative.

7. The time available to a local union benefit representative and alternate with respect to a Benefit Plan district may not exceed eight (8) regular working hours of available time in a day.

(a) On a local union benefit representative's regular shift and without loss of pay, a local union benefit representative(s) may accompany the management benefit representative for a mutually agreeable joint off-site visit to a local hospital, an impartial medical opinion clinic or a health maintenance organization, or other similar type joint ventures, with respect to benefit plan matters.

(b) A local union benefit representative attending a scheduled Management-Union Benefit Plan meeting on a shift other than the representative's regular shift will be paid for time spent in such meeting.

(c) One local union benefit representative attending the local union retiree chapter meeting will be paid for time spent in such meeting.

(d) The time spent in such local union retiree chapter meetings, off-site visits or Management-Union Benefit Plan meetings will not result in additional hours

which exceed regularly scheduled shift hours, overtime premiums or an increase in representation time being furnished as a result of the representative(s) not working a full shift on the representative's regular shift.

8. The local union benefit representative shall be retained on the shift to which the representative was assigned when appointed as such representative regardless of seniority, provided there is a job that is operating on the representative's assigned shift which the representative is able to perform.

9. The Benefit Plans - Health and Safety office may be used by local union benefit representatives during their regular working hours:

(a) To confer with retirees, beneficiaries, and surviving spouses who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension Plan, Life and Disability Benefits Program and Health Care Program Agreements.

(b) If the matter cannot be handled appropriately in or near the employee's work area, to confer with employees who, during their regular working hours, ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(c) To confer with employees who are absent from, or not at work on, their regular shift and who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(d) To write position statements and to complete necessary forms with respect to a case being appealed to

the Pension, SUB, or GIS Boards by an employee in the local union benefit representative's Benefit Plan district, and to write appeals with respect to denied life, health care, and disability claims involving employees within the representative's Benefit Plan district.

(e) To file material with respect to the Pension, Life and Disability Benefits, Health Care, SUB and GIS Agreements.

(f) To make telephone calls with respect to legitimate benefit problems raised by employees under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(10) Notwithstanding Item 7 of this Statement of Intent, during overtime hours, Local Union Benefit Representatives will be scheduled to perform in-plant benefit related activities, if they would otherwise have work available in their equalization group.

LETTER AGREEMENTS

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This letter of agreement constitutes an amendment to the 2003 GM-UAW Pension Plan and shall be construed and applied as if it were therein incorporated.

Pursuant to Subsection 354(14) of the Michigan Workers Compensation Act, as amended, until termination or earlier amendment of the 2003 Collective Bargaining Agreement, workers compensation for employees shall not be reduced by disability retirement benefits payable under the Hourly-Rate Employees Pension Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations the parties agreed upon certain lump-sum payments to be made to eligible retirees and surviving spouses.

Lump-sum payments would be made, on the basis described below, by Corporation check or draft paid directly to retired employees and surviving spouses.

1. The following persons will be eligible for lump-sum payments:

   (a) employees who retired prior to October 1, 2003 under the terms of Article II, Sections 1, 2 or 3 of the Plan and who are receiving benefits from the Plan as of the first of the month for which a lump-sum payment would be made.

   (b) eligible surviving spouses of employees who retired under the terms of Article II, Sections 1, 2 or 3 of the Plan prior to October 1, 2003, or surviving spouses eligible for a benefit prior to September 14, 2003 pursuant to Article II, Section 5(g) of the Plan (excluding surviving spouses of former employees who broke seniority and who are eligible for a deferred pension), or surviving spouses eligible for a benefit under Article II, Section 8(d) and who are eligible for a pension benefit from the Plan as of the first of the month for which a lump-sum payment would be made.

   (c) however, any such retired employee, as described above, will be eligible to receive only 65% of any lump-sum payment on or after December 2004, if there is any outstanding disability overpayment under the Life and Disability Benefits Program.

2. Amount of Benefit:

   (a) a maximum payment of $800 will be made to retired employees.

   (b) eligible surviving spouses will receive 65% of the amount that would have been payable to the retired employee under (a) above.

   (c) any retired employee with an outstanding overpayment, as described in 1(c) above, will have an amount equal to the portion of the lump-sum payments they are ineligible to receive applied to the outstanding disability overpayment balance. If such amount exceeds such overpayment balance, the amount of excess will be payable.

3. Dates of Payment: December 2003, December 2004, December 2005 and December 2006.

Please indicate your concurrence in the proposed lump-sum payments arrangement and other provisions of this letter.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide on-going training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.

- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.
- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.

2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets,

administrative manuals (where applicable), relevant contract provisions and appropriate process descriptions. Upon approval by the Executive Board of Joint Activities, the cost of development, hardware and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties agreed that the term "80% Date" means the first of the month in which a retiree is or would have been eligible to receive a Social Security retirement benefit equal to 80% of the retiree's Social Security full retirement benefit. The parties further agreed to provide for extended early retirement supplements, interim supplements and temporary benefits for current retirees born in 1941, 1942, 1943, 1944 or 1945 who attain age 62 during the 2003 Agreement, and to future retirees born in those years who, during the term of the 2003 Agreement

(i) retire prior to attaining age 62 under Article II, Section (2) or Section (3) of the Pension Plan, and

(ii) attain age 62.

Any such supplements or temporary benefits payable will be extended until the month prior to the retiree's "80% Date".

During these negotiations the parties also agreed to provide early retirement supplements (notwithstanding the age limitations within Article II, Section 6(a)(1)), interim supplements (notwithstanding the age limitations of Article II, Section 6(a)(2)) and temporary benefits (notwithstanding the age limitations of Article II, Section 4(c)) to those employees born in 1941, 1942, 1943, 1944 or 1945 who, during the term of this Agreement, retire subsequent to age 62 but prior to their

individual "80% Date". For the purpose of applying this provision, interim supplements for those employees who retire after age 62 and were otherwise not eligible for an interim supplement will be determined as though the employee retired at age 61. In no event shall this provision serve to provide a total benefit at any time to an employee which is greater than the total benefit payable to a similarly situated employee who retirees prior to age 62 with the same credited service.

For those retirees whose monthly basic benefit is subject to redetermination at age 62 and one month, the total amount of monthly pension benefit payable, subject to applicable increases, will be the same as that provided immediately prior to age 62 until attainment of the "80% date". For this purpose, any early retirement supplement or interim supplement payable after age 62 will be reduced by the amount of basic benefit that was increased as the result of the redetermination. For a retiree who is receiving an early retirement supplement or an interim supplement, who also is receiving a Social Security Disability benefit, that supplement will cease at age 62 and one month, as currently.

The parties further agree that, during the term of the 2003 Collective Bargaining Agreement, they would review the issues surrounding the changes in the Social Security "80% date" and evaluate alternatives to address this issue in the next Collective Bargaining Agreement.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the employment coding system and the resulting impact on the Workers Compensation credited service provision of the GM-UAW Pension Plan. This is to confirm that an employee who is absent from work on an approved leave of absence because of occupational injury or disease (Code A-11) and on account of such injury or disease, receives Workers Compensation payments, will receive credited service at the rate of 40 hours for each complete calendar week that the employee is on such leave.

For an employee whose initial leave is not considered an approved leave of absence because of occupational injury or disease, but the leave is subsequently changed to an approved leave of absence because of occupational injury or disease (Code A-11), credited service will be given for the period for which Workers Compensation benefits are payable.

In addition, in those cases where Workers Compensation benefits are no longer payable because the employee has reached maximum medical improvement or the time certain beyond which benefits are not payable, the employee also will be given credited service at the rate of 40 hours for each complete calendar week that the employee is on an approved leave of absence if such absence is directly related to the occupational injury or disease (Code A-11).

Notwithstanding the above, should an employee who otherwise would be eligible to receive credited service break seniority under the terms of the GM-UAW National Agreement or be able to perform any job in the plant for which the employee has seniority, credited service shall cease to accrue as of that date.

To the extent an employee has not received credited service consistent with these provisions because of employment coding errors, credited service will be corrected if the error is brought to the attention of the Pension Administration Center.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the timely receipt of pension checks, including delays caused by lost checks.

To address this issue, the Corporation stated that it would initiate communications to encourage all pensioners to enroll in Electronic Funds Transfer (EFT) at a financial institution of their choice. The communications will promote the benefits of EFT, such as ensured timeliness, immediate availability of funds on the date of deposit, and the added convenience and safety of having their pension check directly deposited into their designated account every month.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the Union's concern that certain locations may not have been expeditiously following the return to work process related to those former employees who were on Total and Permanent Disability retirement, claimed to be recovered, and wanted to return to work.

Additionally, the parties discussed the Union's concerns that former employees who had been retired as Total and Permanent Disability retirements were not being returned to active employment in a timely manner following approval by the Plant Medical Director or the Clinic, as appropriate upon recovery from such Total and Permanent Disability retirement. In this case, the plant should identify the appropriate job and the employee should be placed in such job as soon as practicable.

Management will notify plant personnel directors of these requirements.

Very truly yours,

GENERAL MOTORS CORPORATION
Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understanding that for purposes of Article X, Section 1 of the Plan, the definition of Employee will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

In addition, the Plan shall assume all assets and liabilities of the New Venture Gear Hourly-Rate Pension Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE,
AEROSPACE AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

NOTES

ARTICLE I

ESTABLISHMENT OF LIFE AND DISABILITY BENEFITS PROGRAM, ELIGIBILITY FOR AND EFFECTIVE DATE OF COVERAGES, AND FINANCING AND ADMINISTRATION OF PROGRAM

Section 1. Establishment and Effective Date of Program

(a) *Establishment of Program*

General Motors Corporation on behalf of itself and its Divisions and as agent for certain of its directly or indirectly wholly-owned and substantially wholly-owned domestic subsidiaries, will establish a Life and Disability Benefits Program, hereinafter referred to as the Program, either through a self-insured plan or under a group insurance policy or policies issued by an insurance company or insurance companies as set forth in Article II.

(b) *Effective Date of Amended Program*

The Program shall become effective October 6, 2003, except as provided in Article II.

Section 2. Enrollment Options

An eligible employee electing to enroll in the Program must complete an application for the coverages in which such employee elects to participate. An employee may not elect to be covered under Article II without taking all of the coverages (other than Optional Life, Dependent Life and Personal Accident Insurance) thereunder; provided however that an employee electing to be insured for Optional Life, Dependent Life, and/or Personal Accident Insurance must be insured for Basic Life Insurance described in Article II, Section 2.

Section 3. Eligibility For and Effective Date of Coverage

(a) ***Present Employees***

An employee hired prior to October 6, 2003, shall be eligible, and shall automatically become covered except as provided in subsection (f)(2) of this Section:

(1) for Basic Life, Extra Accident, and Survivor Income Benefit Insurance coverages provided under Article II, on that date or, if later, on the first day of the month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire, and

(2) for Sickness and Accident and Extended Disability Benefit coverages provided under Article II, on that date or, if later, on the first day of the sixth month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire.

(b) ***New Employees***

(1) An employee hired on or after October 6, 2003, shall be eligible for Basic Life, Extra Accident and Survivor Income Benefit Insurance on the first day of the month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire, and for Sickness and Accident and Extended Disability Benefit coverages on the first day of the sixth month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire.

(2) The provisions of subsection (1) above shall not apply, however, to an employee who loses seniority due to a quit from a location where such employee has

coverages in force to become or remain employed at another location. In such case, all coverages under Article II shall become effective on the day next following the date of such loss of seniority, providing the employee is then on the active employment roll at such other location.

(c) ***Rehired Employees***

In determining the eligibility for Basic Life, Extra Accident, Survivor Income Benefit, Sickness and Accident and Extended Disability Benefit coverages for a re-hired employee who was hired and laid-off before becoming eligible for any or all of such coverages, the initial date of hire shall be deemed to be the "most recent date of hire" provided that the employee is re-hired either within a period not to exceed the period of continuous employment with the Corporation immediately preceding the employee's date of layoff, or following a brief, temporary layoff of specified duration such as for model change or inventory.

(d) ***Employees Returning to Work***

If an employee's coverages are discontinued and the employee subsequently returns to work, such employee's eligibility for coverages under the Program shall be determined under subsections (b) and (c) herein except as follows:

(1) ***Employees on Layoff or Leave of Absence***

If an employee's coverages were discontinued while on a layoff or leave of absence and such employee returns to active work with seniority, the employee shall be eligible for all coverages under this Program immediately on the date the employee returns to active work with the Corporation.

(2) ***Employees Separated From Service Due to a Quit or Discharge***

If separation from service was due to a quit or discharge but the employee is reemployed within 31 days and no individual policy has been issued to the employee in accordance with Article IV, Section 6, the employee shall be eligible immediately on the date the employee returns to active work for all coverages under this Program for which such employee was covered at the time of such quit or discharge.

(3) ***Employees Separated From Service for Reasons Other Than Quit or Discharge***

If separation from service was due to a reason other than quit or discharge, and the employee never acquired seniority or seniority was canceled, and the employee returns to active work within a period of 24 consecutive months, the employee shall be eligible for all coverages under this Program for which the employee was covered at the time of such separation immediately on the date the employee returns to active work with the Corporation.

(4) ***Employees Separated From Service Due to Retirement***

If an employee retired under the terms of the General Motors Hourly-Rate Employees Pension Plan returns to active employment with the Corporation, but does not have seniority reinstated, such employee shall be deemed, solely for purposes of this Program, to have seniority while so employed.

Notwithstanding the other provisions of this subsection (d), if an employee's Sickness and Accident and Extended Disability Benefit coverages were discontinued while such employee was on a permanent

layoff and the employee returns to active work with the Corporation, the employee shall be eligible for Sickness and Accident and Extended Disability Benefit coverages on the day next following the 12th pay period in which the employee has earnings from one or more Corporation plants within a calendar year.

(e) ***Employees Returning From Military Leaves of Absence***

Notwithstanding any other provisions of the Program, an employee upon reporting for work from military leave of absence in accordance with the terms of such leave shall be immediately eligible for Basic Life, Extra Accident, and Survivor Income Benefit Insurance as set forth in Article II, for the remainder of the month in which such employee reports available for work.

(f) ***Effective Date of Coverages***

(1) An employee shall become covered on each of the dates such employee first becomes eligible as set forth in subsections (b), (c) and (d) of this Section if actively at work on that date and on the date the employee becomes eligible as set forth in subsection (e), and provided the employee has not waived coverage.

(2) If an employee is not actively at work on each of such dates such employee's coverages would otherwise become effective as set forth in subsections (b), (c) and (d) of this Section, the employee becomes covered on the date the employee returns to work provided that date is not more than 24 months later, or if later, the employee has not then broken seniority.

(g) ***Additional Coverage***

The provisions of subsections (b), (c), (d), (e) and (f) of this Section to the contrary notwithstanding, if an employee dies as a result of bodily injuries prior to

becoming insured for Basic Life, Extra Accident and Survivor Income Benefit Insurance as set forth in subsections (b), (c), (d), (e) and (f) of this Section, such insurance coverages shall be provided for such death but only if:

(1) a benefit would be payable for such death under Section 3(b) of Article II;

(2) the bodily injuries are caused solely by employment with General Motors Corporation; and

(3) the bodily injuries result solely from an accident in which both the cause and result are unexpected and definite as to time and place.

Section 4. Program in States With Disability Benefits Laws

(a) *Not Applicable in States With Laws Providing Such Benefits*

(1) The provisions of this Program pertaining to Sickness and Accident and Extended Disability Benefits shall not be applicable to employees in states having laws which now or hereafter may provide such benefits, under whatever name, for employees who are disabled by non-occupational sickness or accident, or similar disability; and compliance by the Corporation with such laws shall be deemed full compliance with the provisions of the Program with respect to employees in such states. If such benefits exceed the benefits provided under the Program, the Corporation may require from employees in such states such contributions as it may deem appropriate for such excess benefits.

(2) In any state where the benefits under such state laws are on a generally lower level than the corresponding benefits under the Program, the Corporation shall, to the extent it finds it practicable, provide benefits supplementary to the state plan benefits to the extent necessary to make the total benefits as nearly comparable as practicable to the benefits of the plan provided by the Program in states without such laws.

(b) *Substitution of Applicable Provisions of Program for State Plan*

The provisions of subsection (a) above to the contrary notwithstanding, the Corporation may, in any state wherein the substitution of a private plan is authorized by the law of such state, modify the provisions of the Program to the extent and in the respects necessary to secure the approval of the appropriate state governing body to substitute the plan provided by the Program in lieu of any plan provided by state law, and upon such modification and approval as a qualified plan, the Corporation may make the plan provided by the Program available to its employees in such state or states with such employee contributions as may be appropriate with respect to any benefits under such modified plan which exceed the benefits provided under the Program.

Section 5. Net Costs, Administration of Program and Non-Applicability of Grievance Procedure

(a) *Net Costs*

The Corporation shall also pay the balance of the net cost of the Program over and above any employee contributions specified in Article III, and the cost of benefits as presently provided to General Motors employees under the New York, New Jersey, and California disability benefit laws. It shall also pay any increase in such costs and shall receive and retain any

divisible surplus, credits or refunds or reimbursements under whatever name, arising out of any such Program.

(b) *Administration*

(1) The Corporation shall be responsible for the administration of the Program.

(2) All administrative expenses incurred by the Corporation to execute the Program shall be borne by the Corporation.

(c) *Grievance Procedure Not Applicable*

It is understood that the grievance procedure of any Collective Bargaining Agreement between the parties hereto shall not apply to this Program or any insurance contract in connection therewith.

Section 6. Treatment of Existing Coverages on Effective Date

(a) Protection of employees currently covered under Corporation life and disability benefits plans (except its New Jersey and New York Private Plans) shall be terminated on the effective dates of the provisions of the amended Program as to employees working on such effective dates, and the benefits provided by the Program set forth in Article II shall be in lieu of and substitute for any and all other plans and benefits thereunder providing for insurance or disability benefits or payments to employees or beneficiaries, for death, loss of member, sickness and accident, or extended disability benefits of any kind or nature, in which the Corporation participates.

(b) All employees currently covered under the Program who are not eligible to become covered on the effective date of the Program, as amended, or to whom any provision of the Program, as amended, is not applicable, shall be covered in accordance with the

conditions, provisions, and limitations of the Program as constituted on the date each such employee was last actively at work as if such Program were being continued during the existence of the Program set forth herein.

Notwithstanding the above provision of this subsection (b), the provisions of Article II, Sections 9(d), 10(f) and 11(e) as amended herein, will also apply to all individuals currently eligible for benefits under the provisions of the programs in place when they were last actively at work.

Section 7. Named Fiduciary

The Investment Funds Committee of the Corporation's Board of Directors shall be the named fiduciary with respect to the Plan. The Investment Funds Committee may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by the Employee Retirement Income Security Act of 1974.

ARTICLE II

BASIC LIFE INSURANCE, EXTRA ACCIDENT INSURANCE, SICKNESS AND ACCIDENT BENEFITS, EXTENDED DISABILITY BENEFITS, SURVIVOR INCOME BENEFIT INSURANCE, OPTIONAL LIFE INSURANCE, DEPENDENT LIFE INSURANCE AND PERSONAL ACCIDENT INSURANCE

Section 1. Amount of Basic Life and Extra Accident Insurance

The amount of Basic Life and Extra Accident Insurance shall be as set forth in the following schedule:

SCHEDULE OF BENEFITS
BASIC LIFE AND EXTRA ACCIDENT INSURANCE

Base Hourly Rate			Before Age 65 (1) Basic Life Insurance	Extra Accident Insurance(2)	Total Basic Life and Extra Accident Insurance
Under	$	17.80	$ 40,500	$ 20,250	$ 60,750
17.80	—	18.14	41,000	20,500	61,500
18.15	—	18.49	42,500	21,250	63,750
18.50	—	18.84	43,000	21,500	64,500
18.85	—	19.19	44,000	22,000	66,000
19.20	—	19.54	44,500	22,250	66,750
19.55	—	19.89	45,500	22,750	68,250
19.90	—	20.24	46,500	23,250	69,750
20.25	—	20.59	47,000	23,500	70,500
20.60	—	20.94	47,500	23,750	71,250
20.95	—	21.29	48,500	24,250	72,750
21.30	—	21.64	49,000	24,500	73,500
21.65	—	21.99	50,000	25,000	75,000
22.00	—	22.34	50,500	25,250	75,750
22.35	—	22.69	51,500	25,750	77,250
22.70	—	23.04	52,500	26,250	78,750
23.05	—	23.39	53,000	26,500	79,500
23.40	—	23.74	54,000	27,000	81,000
23.75	—	24.09	54,500	27,250	81,750
24.10	—	24.44	55,500	27,750	83,250
24.45	—	24.79	56,500	28,250	84,750
24.80	—	25.14	57,000	28,500	85,500
25.15	—	25.49	58,000	29,000	87,000
25.50	—	25.84	58,500	29,250	87,750
25.85	—	26.19	59,500	29,750	89,250
26.20	—	26.54	60,500	30,250	90,750
26.55	—	26.89	61,000	30,500	91,500
26.90	—	27.24	62,000	31,000	93,000
27.25	—	27.59	62,500	31,250	93,750
27.60	—	27.94	63,500	31,750	95,250
27.95	—	28.29	64,500	32,250	96,750
28.30	—	28.64	65,000	32,500	97,500
28.65	—	28.99	66,000	33,000	99,000
29.00	—	29.34	67,500	33,750	101,250
29.35	—	29.69	68,000	34,000	102,000
29.70	—	30.04	69,000	34,500	103,500
30.05	—	30.39	70,000	35,000	105,000
30.40	—	30.74	70,500	35,250	105,750
30.75	—	31.09	71,500	35,750	107,250
31.10	—	31.44	72,000	36,000	108,000
31.45	—	31.79	73,000	36,500	109,500
31.80	—	32.14	74,000	37,000	111,000
32.15	—	32.49	74,500	37,250	111,750
32.50	—	32.84	75,500	37,750	113,250
32.85	—	33.19	76,000	38,000	114,000
33.20	—	33.54	77,000	38,500	115,500
33.55	—	33.89	78,000	39,000	117,000
33.90	—	34.24	78,500	39,250	117,750
34.25	—	34.59	79,500	39,750	119,250
34.60	—	34.94	80,500	40,250	120,750
34.95	—	35.29	81,000	40,500	121,500
35.30	&	Over	82,000	41,000	123,000

(1) The amount of Continuing Life Insurance [see Article II, Section 2(b)] and Extra Accident Insurance (equal to 50% of Continuing Life Insurance) shall be based on the employee's current base hourly rate for those employees who continue to work after age 65. [see Article IV, Section 2].

(2) Three times the scheduled amount may be payable for an occupation-related death. [see Article II, Section 3(b)].

Section 2. Basic Life Insurance

(a) *Prior to Age 65*

The amount of Basic Life Insurance to which an employee is entitled prior to age 65 is as shown in Section 1 of this Article.

(b) *Continuing Life Insurance After Age 65*

(1) On the first day of the calendar month following the month in which the 65th birthday of the employee occurs, the amount of the employee's Basic Life Insurance in force on the employee's 65th birthday shall be reduced by 2% thereof, and shall be further reduced by an equal amount on the first day of each succeeding month in accordance with (i) and (ii) below; provided, however, that if an employee continues to work after the month in which such employee attains age 65 and the amount of the employee's Basic Life Insurance changes because of a change in the employee's pay rate, the employee's Basic Life Insurance in force and the amount of each monthly reduction shall be determined as though the amount of the employee's Basic Life Insurance applicable to the most recent pay rate had been the amount that was in force at the end of the month in which the employee attained age 65.

(i) If the employee has ten or more Years of Participation at age 65, such reductions shall be made until the Basic Life Insurance is reduced to 1-1/2% of the amount in force on the employee's 65th birthday (or, the amount determined by the Schedule of Benefits set forth in Section 1 of this Article for the employee's base hourly rate on the last day the employee is actively at work, if later), times the number of Years of Participation, but in no event to less than $5000, except as otherwise provided in subsection (b)(2) herein. Such remaining Life Insurance will be continued thereafter until the death of

the employee, subject to the rights reserved to the Corporation to modify or discontinue this Plan.

(ii) If the employee has less than ten Years of Participation at age 65, such reductions shall be made until the earlier of 25 months of layoff, 12 months of leave of absence other than for disability, or such employee's separation from active service, and any amount remaining in force shall then be discontinued. If such an employee attains ten Years of Participation after the employee's 65th birthday, the amount of the employee's Basic Life Insurance in force at the end of the month in which the employee attains age 65 (or the amount determined by the Schedule of Benefits set forth in Section 1 herein for the employee's base hourly rate on the last day the employee is actively at work, if later) shall be reduced and continued as provided in Section 2(b)(1)(i) of this Article.

(2) An employee who last worked prior to November 15, 1993 but on or after October 1, 1990, and otherwise is eligible for Continuing Life Insurance after age 65, shall have a minimum amount of Continuing Life Insurance of $4500. An employee who last worked prior to October 1, 1990, but on or after October 26, 1987, and otherwise is eligible for Continuing Life Insurance after age 65, shall have a minimum amount of Continuing Life Insurance of $3500. An employee who last worked prior to October 26, 1987 and is otherwise eligible for Continuing Life Insurance after age 65, shall have a minimum amount of Continuing Life Insurance of $3000, except that for an employee who last worked prior to September 17, 1984 and who, having reached age 60 but not age 65:

(i) recovers from disability, and

(ii) ceases to receive monthly instalment payments for total and permanent disability, and

(iii) does not return to work,

and had Basic Life Insurance revived in an amount which is less than $3000, such lesser amount shall be the minimum amount of Continuing Life Insurance.

(3) No employee contributions for Continuing Life Insurance are required after attainment of age 65.

(4) Each retired employee eligible for Continuing Life Insurance shall be notified of the ultimate amount of such Life Insurance. Notification shall be provided following attainment of age 65 (or following retirement, if later), as well as when the ultimate amount of Continuing Life Insurance is reached.

(c) ***Insurance for Employees First Participating at or After Age 65***

Life Insurance for an employee who first participates in the Plan at or after age 65 shall be subject to the reductions set forth in Section 2(b) of this Article.

Section 3. Extra Accident Insurance

(a) ***Eligibility for Insurance***

Extra Accident Insurance is provided while the employee is insured for Basic Life Insurance during active service and while Basic Life Insurance is continued during layoff or leave of absence as specified in Article III, Section 2 and during periods of total disability as set forth in Article III, Section 3, but in no event beyond the last day of the calendar month in which the employee attains age 65 or the last day of the calendar month immediately preceding the employee's retirement effective date, if later.

(b) ***Amount of Benefit***

If an employee while insured for Extra Accident Insurance sustains accidental bodily injuries which result in death within one year, or loss of hand, foot or sight of eye, within two years, of such injuries, benefits will be paid as specified in the schedule below:

SCHEDULE OF BENEFITS
BASIC LIFE AND EXTRA ACCIDENT INSURANCE

Base Hourly Rate			Before Age 65 (1) Basic Life Insurance	Extra Accident Insurance(2)	Total Basic Life and Extra Accident Insurance
Under	$	17.80	$ 40,500	$ 20,250	$ 60,750
17.80	—	18.14	41,000	20,500	61,500
18.15	—	18.49	42,500	21,250	63,750
18.50	—	18.84	43,000	21,500	64,500
18.85	—	19.19	44,000	22,000	66,000
19.20	—	19.54	44,500	22,250	66,750
19.55	—	19.89	45,500	22,750	68,250
19.90	—	20.24	46,500	23,250	69,750
20.25	—	20.59	47,000	23,500	70,500
20.60	—	20.94	47,500	23,750	71,250
20.95	—	21.29	48,500	24,250	72,750
21.30	—	21.64	49,000	24,500	73,500
21.65	—	21.99	50,000	25,000	75,000
22.00	—	22.34	50,500	25,250	75,750
22.35	—	22.69	51,500	25,750	77,250
22.70	—	23.04	52,500	26,250	78,750
23.05	—	23.39	53,000	26,500	79,500
23.40	—	23.74	54,000	27,000	81,000
23.75	—	24.09	54,500	27,250	81,750
24.10	—	24.44	55,500	27,750	83,250
24.45	—	24.79	56,500	28,250	84,750
24.80	—	25.14	57,000	28,500	85,500
25.15	—	25.49	58,000	29,000	87,000
25.50	—	25.84	58,500	29,250	87,750
25.85	—	26.19	59,500	29,750	89,250
26.20	—	26.54	60,500	30,250	90,750
26.55	—	26.89	61,000	30,500	91,500
26.90	—	27.24	62,000	31,000	93,000
27.25	—	27.59	62,500	31,250	93,750
27.60	—	27.94	63,500	31,750	95,250
27.95	—	28.29	64,500	32,250	96,750
28.30	—	28.64	65,000	32,500	97,500
28.65	—	28.99	66,000	33,000	99,000
29.00	—	29.34	67,500	33,750	101,250
29.35	—	29.69	68,000	34,000	102,000
29.70	—	30.04	69,000	34,500	103,500
30.05	—	30.39	70,000	35,000	105,000
30.40	—	30.74	70,500	35,250	105,750
30.75	—	31.09	71,500	35,750	107,250
31.10	—	31.44	72,000	36,000	108,000
31.45	—	31.79	73,000	36,500	109,500
31.80	—	32.14	74,000	37,000	111,000
32.15	—	32.49	74,500	37,250	111,750
32.50	—	32.84	75,500	37,750	113,250
32.85	—	33.19	76,000	38,000	114,000
33.20	—	33.54	77,000	38,500	115,500
33.55	—	33.89	78,000	39,000	117,000
33.90	—	34.24	78,500	39,250	117,750
34.25	—	34.59	79,500	39,750	119,250
34.60	—	34.94	80,500	40,250	120,750
34.95	—	35.29	81,000	40,500	121,500
35.30	&	Over	82,000	41,000	123,000

(1) The amount of Continuing Life Insurance [see Article II, Section 2(b)] and Extra Accident Insurance (equal to 50% of Continuing Life Insurance) shall be based on the employee's current base hourly rate for those employees who continue to work after age 65. [see Article IV, Section 2].

(2) Three times the scheduled amount may be payable for an occupation-related death. [see Article II, Section 3(b)].

Section 2. Basic Life Insurance

(a) ***Prior to Age 65***

The amount of Basic Life Insurance to which an employee is entitled prior to age 65 is as shown in Section 1 of this Article.

(b) ***Continuing Life Insurance After Age 65***

(1) On the first day of the calendar month following the month in which the 65th birthday of the employee occurs, the amount of the employee's Basic Life Insurance in force on the employee's 65th birthday shall be reduced by 2% thereof, and shall be further reduced by an equal amount on the first day of each succeeding month in accordance with (i) and (ii) below; provided, however, that if an employee continues to work after the month in which such employee attains age 65 and the amount of the employee's Basic Life Insurance changes because of a change in the employee's pay rate, the employee's Basic Life Insurance in force and the amount of each monthly reduction shall be determined as though the amount of the employee's Basic Life Insurance applicable to the most recent pay rate had been the amount that was in force at the end of the month in which the employee attained age 65.

(i) If the employee has ten or more Years of Participation at age 65, such reductions shall be made until the Basic Life Insurance is reduced to 1-1/2% of the amount in force on the employee's 65th birthday (or, the amount determined by the Schedule of Benefits set forth in Section 1 of this Article for the employee's base hourly rate on the last day the employee is actively at work, if later), times the number of Years of Participation, but in no event to less than $5000, except as otherwise provided in subsection (b)(2) herein. Such remaining Life Insurance will be continued thereafter until the death of

the employee, subject to the rights reserved to the Corporation to modify or discontinue this Plan.

(ii) If the employee has less than ten Years of Participation at age 65, such reductions shall be made until the earlier of 25 months of layoff, 12 months of leave of absence other than for disability, or such employee's separation from active service, and any amount remaining in force shall then be discontinued. If such an employee attains ten Years of Participation after the employee's 65th birthday, the amount of the employee's Basic Life Insurance in force at the end of the month in which the employee attains age 65 (or the amount determined by the Schedule of Benefits set forth in Section 1 herein for the employee's base hourly rate on the last day the employee is actively at work, if later) shall be reduced and continued as provided in Section 2(b)(1)(i) of this Article.

(2) An employee who last worked prior to November 15, 1993 but on or after October 1, 1990, and otherwise is eligible for Continuing Life Insurance after age 65, shall have a minimum amount of Continuing Life Insurance of $4500. An employee who last worked prior to October 1, 1990, but on or after October 26, 1987, and otherwise is eligible for Continuing Life Insurance after age 65, shall have a minimum amount of Continuing Life Insurance of $3500. An employee who last worked prior to October 26, 1987 and is otherwise eligible for Continuing Life Insurance after age 65, shall have a minimum amount of Continuing Life Insurance of $3000, except that for an employee who last worked prior to September 17, 1984 and who, having reached age 60 but not age 65:

(i) recovers from disability, and

(ii) ceases to receive monthly instalment payments for total and permanent disability, and

(iii) does not return to work,

and had Basic Life Insurance revived in an amount which is less than $3000, such lesser amount shall be the minimum amount of Continuing Life Insurance.

(3) No employee contributions for Continuing Life Insurance are required after attainment of age 65.

(4) Each retired employee eligible for Continuing Life Insurance shall be notified of the ultimate amount of such Life Insurance. Notification shall be provided following attainment of age 65 (or following retirement, if later), as well as when the ultimate amount of Continuing Life Insurance is reached.

(c) ***Insurance for Employees First Participating at or After Age 65***

Life Insurance for an employee who first participates in the Plan at or after age 65 shall be subject to the reductions set forth in Section 2(b) of this Article.

Section 3. Extra Accident Insurance

(a) ***Eligibility for Insurance***

Extra Accident Insurance is provided while the employee is insured for Basic Life Insurance during active service and while Basic Life Insurance is continued during layoff or leave of absence as specified in Article III, Section 2 and during periods of total disability as set forth in Article III, Section 3, but in no event beyond the last day of the calendar month in which the employee attains age 65 or the last day of the calendar month immediately preceding the employee's retirement effective date, if later.

(b) ***Amount of Benefit***

If an employee while insured for Extra Accident Insurance sustains accidental bodily injuries which result in death within one year, or loss of hand, foot or sight of eye, within two years, of such injuries, benefits will be paid as specified in the schedule below:

Loss	Amount Payable
Loss of one hand by severance at or above wrist joint or one foot by severance at or above ankle joint or total and irrecoverable loss of sight of one eye.	One-half the amount of Extra Accident Insurance then in force (Article II, Section 1).
Loss of two or more such members, or Loss of life.	The full amount of Extra Accident Insurance then in force (Article II, Section 1).

If loss of life results from accidental bodily injuries caused solely by employment with General Motors Corporation, and results solely from an accident in which the cause and result are unexpected and definite as to time and place, the amount payable shall be three times the full amount of Extra Accident Insurance then in force.

For any one accident the maximum amount of this insurance that will be paid shall not exceed the amount of Extra Accident Insurance in force for the employee at the date of the accident; except that in the event of loss of life resulting from an accident caused solely by employment with General Motors Corporation as set forth in the immediately preceding paragraph, the maximum amount of this insurance that will be paid for such accident shall not exceed three times the amount of such insurance in force for the employee at the date of the accident.

Such benefits are paid provided the death or loss is not caused wholly or partly, directly or indirectly by,

(1) disease or bodily or mental infirmity, or by medical or surgical treatment or diagnosis thereof, or

(2) any infection, except infection caused by an external visible wound accidentally sustained, or

(3) hernia, no matter how or when sustained, or

(4) war or any act of war, or

(5) intentional self-destruction or intentionally self-inflicted injury, while sane or insane.

(c) ***Notice and Proof of Loss***

(1) Written notice of loss must be given to the insurer within 20 days after the date of such loss. Proof of such loss must be furnished within 90 days after the date of such loss.

(2) The insurer shall have the right and opportunity to examine the employee as often as it may reasonably require during the pendency of claim under the Plan, and also the right to have an autopsy made in case of death, where it is not forbidden by law.

(3) No action shall be brought to recover on the Plan prior to the expiration of 60 days after proof of claim has been filed, nor shall such action be brought at all unless brought within three years from the expiration of the time within which proof of claim is required.

Section 4. Payment of Basic Life Insurance and Extra Accident Insurance

(a) The amount of Basic Life Insurance is payable to the beneficiary of record of the employee in the event of death from any cause while the employee is insured under the Plan for Basic Life Insurance. In the event of accidental death, the Extra Accident Insurance, if in force, is also payable to the beneficiary of record of the employee if surviving the employee, and otherwise to the estate of the employee. Such Extra Accident Insurance for loss of life will, in the absence of an election by the beneficiary of any other method of settlement, be payable with, and on the same basis as, the Basic Life Insurance of the employee. All other

benefits provided under Extra Accident Insurance are payable to the employee.

(b) At the written request of the beneficiary, the Basic Life Insurance and Extra Accident Insurance, if any, shall be paid either in a lump sum or in instalments. No instalment settlement election shall be valid if such settlement would result in instalment payments of less than $10.00 each.

(c) If the insurance is payable in instalments and the beneficiary dies before all instalments have been paid, the unpaid instalments shall be commuted at the rate of interest used in computing the amount of instalment payments, and paid in one lump sum to the estate of the beneficiary unless otherwise provided in the election of an instalment settlement.

(d) The employee's insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of the employee.

(e) All insurance is term insurance without cash, loan or paid-up values.

Section 5. Amount of Disability Benefits

The amount of Sickness and Accident and Extended Disability Benefits shall be as set forth in the following schedule:

SCHEDULE OF BENEFITS
(In States With No Disability Benefits Laws)

Base Hourly Rate			Disability Coverage: Before Retirement — Weekly Sickness and Accident Benefit (Maximum 52 Weeks)(1)	Disability Coverage: Before Retirement — Monthly Extended Disability Benefit, Schedule I	Disability Coverage: Before Retirement — Monthly Extended Disability Benefit, Schedule II (2)
Under	$	17.80	$ 425	$ 1,525	$ 1,680
17.80	—	18.14	430	1,560	1,715
18.15	—	18.49	440	1,590	1,745
18.50	—	18.84	450	1,620	1,780
18.85	—	19.19	455	1,650	1,815
19.20	—	19.54	465	1,680	1,845
19.55	—	19.89	475	1,710	1,880
19.90	—	20.24	480	1,740	1,915
20.25	—	20.59	490	1,770	1,945
20.60	—	20.94	500	1,800	1,980
20.95	—	21.29	505	1,830	2,015
21.30	—	21.64	515	1,860	2,045
21.65	—	21.99	525	1,890	2,080
22.00	—	22.34	530	1,920	2,115
22.35	—	22.69	540	1,950	2,145
22.70	—	23.04	550	1,985	2,180
23.05	—	23.39	555	2,015	2,215
23.40	—	23.74	565	2,045	2,245
23.75	—	24.09	575	2,075	2,280
24.10	—	24.44	585	2,105	2,315
24.45	—	24.79	590	2,135	2,350
24.80	—	25.14	600	2,165	2,380
25.15	—	25.49	610	2,195	2,415
25.50	—	25.84	615	2,225	2,450
25.85	—	26.19	625	2,255	2,485
26.20	—	26.54	635	2,290	2,515
26.55	—	26.89	640	2,320	2,550
26.90	—	27.24	650	2,350	2,585
27.25	—	27.59	660	2,380	2,615
27.60	—	27.94	665	2,410	2,650
27.95	—	28.29	675	2,440	2,685
28.30	—	28.64	685	2,470	2,715
28.65	—	28.99	690	2,500	2,750
29.00	—	29.34	700	2,530	2,780
29.35	—	29.69	710	2,560	2,815
29.70	—	30.04	715	2,590	2,850
30.05	—	30.39	725	2,620	2,880
30.40	—	30.74	735	2,650	2,915
30.75	—	31.09	740	2,680	2,950
31.10	—	31.44	750	2,710	2,980
31.45	—	31.79	760	2,740	3,015
31.80	—	32.14	765	2,770	3,045
32.15	—	32.49	775	2,800	3,080
32.50	—	32.84	785	2,830	3,115
32.85	—	33.19	795	2,860	3,145
33.20	—	33.54	800	2,890	3,180
33.55	—	33.89	810	2,920	3,215
33.90	—	34.24	820	2,950	3,245
34.25	—	34.59	825	2,980	3,280
34.60	—	34.94	835	3,010	3,315
34.95	—	35.29	845	3,040	3,345
35.30	&	Over	850	3,070	3,380

(1) Weekly Sickness and Accident Benefits will be adjusted for disability occurring prior to the day one year of seniority is attained. [see Article II, Section 6(e)].

(2) *Schedule II applies to eligible employees who on their last day worked preceding a* continuous period of disability have 10 or more Years of Participation under the Plan. *Schedule I applies to all other employees eligible for Extended Disability Benefits.*

Section 6. Sickness and Accident Benefits

(a) *Eligibility for Benefits*

(1) If while covered for these benefits, an employee becomes wholly and continuously disabled as a result of any injury or sickness so as to be prevented thereby from performing any and every duty of such employee's occupation, and during the period of such disability is under treatment therefor by a physician legally licensed to practice medicine, the amount of weekly benefits for which the employee is then covered shall be paid to the employee each week during the period the employee is so disabled and under such treatment. Notwithstanding the above, Sickness and Accident Benefits shall be payable to an employee who becomes wholly and continuously disabled as a result of undergoing surgery for sterilization purposes, or becomes confined as a registered bed patient in a legally constituted hospital for the purpose of undergoing testing to determine such employee's suitability to be a donor for an organ or tissue transplant and, in either case, is otherwise eligible for such benefits.

The requirement that an employee be under treatment by a physician legally licensed to practice medicine shall be deemed to have been met if an employee under treatment for alcohol or drug abuse in an inpatient residential, day treatment or outpatient substance abuse treatment facility approved for benefits under the General Motors Health Care Program for Hourly Employees furnishes the Carrier with certification of disability, provided either by the facility's physician director, or by a physician consultant selected by the facility, based on information furnished by, and upon the recommendation of, the therapist who is supervising the employee's therapy. For such certification to be acceptable, the physician director or physician consultant providing it must be a licensed doctor of medicine or osteopathy.

The requirement that an employee be under treatment by a physician legally licensed to practice medicine shall be deemed to have been met if an employee is under the treatment of a physician assistant. For such treatment to be acceptable, the physician assistant must comply with laws and regulations in the state in which they practice and the care and treatment provided must be within the scope of his or her license. If such physician assistant provides treatment, a licensed doctor of medicine or osteopathy must provide certification of disability.

(2) Sickness and Accident Benefits shall not be paid for any day for which an employee receives holiday pay.

(b) *Duration and Commencement of Benefits*

(1) Sickness and Accident Benefits shall be payable during total disability for a period equal to the greater of an employee's seniority or Years of Participation on the first day of disability, but in no case for more than 52 weeks, for any one continuous period of disability, whether from one or more causes, or for successive periods of disability due to the same or related cause or causes. However, if such employee is confined as a registered bed patient in a legally constituted hospital or is receiving payments because of employment with the Corporation under any Workers Compensation Law or Act or any Occupational Disease Law or Act for the same disability at the date of expiration of the maximum period for which the employee is entitled to receive Sickness and Accident Benefits, and such benefits were payable for less than 52 weeks, benefits shall continue to be payable while the employee continues to be so confined or while the employee receives such payments, but in no case beyond the end of such 52-week period. Notwithstanding the fact that all the requirements of this subsection (b) and subsection (a) above have been met, in no case shall Sickness and Accident Benefits be payable for the waiting periods specified below.

(2) If disability is due to an accident, the waiting period shall be the first seven days of disability, except that if during the first seven days of disability the employee, because of such accident, becomes confined as a registered bed patient in a legally constituted hospital or receives treatment by a Corporation Medical Department or by a physician legally licensed to practice medicine, there shall be no waiting period. If disability is due to sickness, the waiting period shall be the first seven days of disability except that if during the first seven days of disability the employee becomes confined as a registered bed patient in a legally constituted hospital, the waiting period shall not extend beyond the day immediately preceding the day the employee becomes so confined and if during the first seven days of disability the employee undergoes a surgical procedure for which a benefit of $25 or more is payable under a Medical Expense Benefit plan pursuant to the General Motors Health Care Program for Hourly Employees, the waiting period shall not extend beyond the day of surgery.

(c) ***Basis for Daily Benefit Payments***

Any Sickness and Accident Benefits due for periods other than a whole week shall be paid on the basis of one-fifth of the weekly benefit for each day of a five day work week, Monday through Friday, the employee is disabled. If any one of such days is not included in an employee's regular work week, Saturday shall be substituted for that day and if two of such days are not included in the employee's regular work week, Saturday and Sunday shall be substituted for such two days.

(d) ***Benefits for More Than One Absence***

(1) If an employee returns to work after receiving Sickness and Accident Benefits for less than 52 weeks and is again absent within three months for the same reason or some disability related to it, there is no waiting period for the rest of the 52 weeks' period, if the employee is disabled that long.

(2) If the second absence results from a different kind of sickness or injury, the first absence does not affect any possible future benefits. If there are three months or more between two periods of disability, and the employee returned to work for at least one day in the intervening period, the second period of disability shall not be considered as being due to the same or related cause or causes as the first disability.

(e) ***Benefits for Disability Occurring Prior to the Day One Year of Seniority is Attained***

The benefit amount for any period that an employee is otherwise eligible for benefits during any period of disability occurring prior to the day one year of seniority is attained shall be 75% of the benefit amount set forth in Section 5 of this Article.

(f) ***Occupational Disabilities***

(1) Benefits payable for any period shall be reduced by any payments for time lost from work in that period to which the employee is entitled under any Workers Compensation Law or Act or any Occupational Disease Law or Act.

(2) No deductions shall be made for any payments under such laws specifically for hospitalization or medical expense, or specific allowances for loss, or 100% loss of use, of a body member or for disfigurements, or permanent partial disability payments for a work-related disability unrelated to the disability for which benefits under this Plan are payable, or for benefits for total disability due to pneumoconiosis, as defined on September 21, 1973 under the Federal Black Lung Benefits Act of 1972.

(g) ***Unemployment Compensation***

Benefits payable for any period shall be reduced by any payments of unemployment benefits to which the employee is entitled for that period under any Unemployment Compensation Law.

(h) ***Social Security***

Sickness and Accident Benefits otherwise payable for any period of disability shall be reduced by the weekly equivalent of any Disability Insurance Benefits or Retirement Insurance Benefits (Primary Insurance Amount only) to which the employee is entitled for the same period under the Federal Social Security Act or any future legislation providing similar benefits, except retirement benefits reduced because of the age at which received. For purposes of such reduction, the weekly equivalent of benefits paid on a monthly basis is computed by dividing the monthly benefit rate by 4.33.

Any Disability Insurance Benefits or Retirement Insurance Benefits which are awarded retroactively shall be treated as having been received by the employee during the entire time period for which such benefits were payable and any overpayments of Sickness and Accident Benefits shall be calculated accordingly.

The Carrier shall have the right to periodically request recipients of Sickness and Accident Benefits to complete an authorization form allowing the Social Security Administration to advise the Carrier of the status of a claim for Social Security benefits. Failure to complete and return such authorization within two weeks of the date of such request will result in the suspension of Sickness and Accident Benefit payments until receipt of the authorization.

(i) ***Notice and Proof of Claim***

(1) Written notice of injury or sickness must be given to the Carrier within 20 days after the date of the accident causing such injury or the commencement of disability resulting from such sickness. Proof of such injury or sickness must be furnished to the Carrier within 90 days after the termination of the period for which weekly benefits are payable under the Plan.

(2) The Carrier shall have the right to have such medical examinations of an employee who is eligible to receive Sickness and Accident Benefits, as it may reasonably require, made by a physician or physicians designated by it. Failure to report for such examination may result in denial of such benefits.

(3) No legal action shall be brought by any employee to recover from the Carrier prior to the expiration of 60 days after proof of claim has been filed in accordance with the requirements of the Plan, nor shall such action be brought at all unless brought within three years from the expiration of the time within which proof of claim is required by the Plan.

(j) ***Payment of Claim***

(1) Subject to due proof of claim, the weekly benefits will be paid to the employee each week during any period of disability for which such benefits are payable and any balance remaining unpaid at the termination of such period will be paid immediately upon receipt of proof.

(2) If disability is due to or accompanied by mental incapacity, all or any part of such weekly benefits may, at the option of the Carrier, be paid to the beneficiary of record of the employee or to any other person or institution then in the judgment of the Carrier contributing toward or providing for the care or maintenance of the employee.

(k) ***Waiver***

In order to receive pension benefits under the provisions of the General Motors Hourly-Rate Employees Pension Plan an employee may waive irrevocably any right such employee may have to receive Sickness and Accident Benefits with respect to any period of disability by completing a waiver form furnished by the Corporation for that purpose. No Sickness and Accident Benefits shall be payable for any period of disability covered by such waiver.

Section 7. Extended Disability Benefits

(a) *Eligibility*

Extended Disability Benefits coverage shall be provided while an employee is covered for Sickness and Accident Benefits.

An employee who is covered for Sickness and Accident Benefits and who, at the date of expiration of the maximum number of weeks for which such employee is entitled to receive Sickness and Accident Benefits and during a continuous period of disability thereafter, is totally disabled shall receive monthly Extended Disability Benefits for the period described in subsection (c) below.

For an employee to be deemed totally disabled, such employee must not be engaged in regular employment or occupation for remuneration or profit and be wholly prevented from engaging in regular employment or occupation with the Corporation at the plant or plants where the employee has seniority for remuneration or profit as a result of bodily injury or disease, either occupational or non-occupational in cause.

(b) *Amount of Benefit*

(1) The monthly Extended Disability Benefit is the applicable amount shown in the Schedule of Benefits in Section 5 of this Article, reduced by an amount equal to the monthly equivalent of the total of the following benefits for which the person receiving Extended Disability Benefits is eligible:

(i) All benefits under any pension plan or retirement program then in effect to which the Corporation or any of its subsidiaries has contributed;

(ii) Lost time benefits under Workers Compensation Laws or other laws providing benefits for occupational injury or disease, including lump-sum

settlements, but excluding specific allowances for loss, or 100% loss of use, of a body member or permanent partial disability payments for a work-related disability unrelated to the disability for which benefits under this Plan are payable, and excluding benefits for total disability due to pneumoconiosis, as defined on September 21, 1973, under the Federal Black Lung Benefits Act of 1972;

(iii) Disability or Retirement Insurance Benefits (Primary Insurance Amount only) to which the person is entitled under the Federal Social Security Act or any future legislation providing similar benefits, except retirement benefits reduced because of the age at which received;

(iv) Benefits under any state or federal law providing benefits for working time lost because of disability.

(2) In determining the amount by which Extended Disability Benefits are reduced:

(i) The monthly equivalent of benefits paid on a weekly basis is computed by multiplying the weekly benefit rate by 4.33.

(ii) Lump-sum settlements under state Workers Compensation Laws result in reductions equal to the monthly equivalent of the amount of the Workers Compensation benefit to which the employee would have been entitled under the applicable law had there been no lump-sum payment, but not to exceed in total the amount of the settlement. The amount of such settlement shall be allocated to days of disability for which compensation has not previously been paid, in chronological order until such amount has been fully allocated, at the rate of one-seventh of the weekly Workers Compensation benefit which would have been applicable under the state law if the claim had been allowed and if there had been no lump-sum settlement.

(iii) The amount of a person's benefit under subsections (b)(1)(ii), (iii) or (iv) above shall not be increased subsequent to the first day for which Extended Disability Benefits are payable, except that the amount of such increase shall not be disregarded if it represents an adjustment in the original determination of the amount of such benefit.

(iv) The amount of monthly Extended Disability Benefit shall not be reduced by any increase in an employee's benefit under subsection (b)(1)(i) above that is effective subsequent to the first day for which an employee's Extended Disability Benefit is reduced because of receipt of such benefit. However, the amount of Extended Disability Benefit shall be reduced by any such increase which represents an adjustment in the original determination of the amount of the employee's benefit under subsection (b)(1)(i).

(3) Extended Disability Benefit computations presume eligibility for Social Security Disability Insurance Benefits and pension plan and retirement program disability retirement benefits. However, such presumption of pension plan and retirement program disability retirement benefits shall not be made with respect to any Extended Disability Benefit payments due for the 24-month period immediately following the date of expiration of the maximum number of weeks for which the employee is entitled to receive Sickness and Accident Benefits. Amounts deducted from Extended Disability Benefits on this basis are paid upon presentation of satisfactory evidence that these benefits were applied for and denied; provided, however, that a reduction in Extended Disability Benefits is made in an amount equal to Social Security Disability Insurance Benefits that would have been payable except for refusal to accept vocational rehabilitation services.

(4) Benefits payable for less than a full calendar month are prorated on the basis of the ratio of calendar days of eligibility to total calendar days in the month.

(5) The Carrier may require each applicant or recipient of Extended Disability Benefits to certify or furnish verification of the amounts of such applicant's or recipient's income from sources listed in subsection (b)(1) above. Further, the Carrier shall have the right to periodically request recipients of Extended Disability Benefits to complete an authorization form allowing the Social Security Administration to advise the Carrier of the status of a claim for Social Security benefits. Failure to complete and return such authorization within two weeks of the date of such request, will result in the suspension of Extended Disability Benefit payments until receipt of the authorization.

(6) Any benefits described in subsection (b)(1) above which are awarded retroactively shall be treated as having been received by the employee during the entire time period for which such benefits were payable and any overpayments of Extended Disability Benefits shall be calculated accordingly.

(c) ***Commencement and Duration of Benefits***

(1) Extended Disability Benefits to an eligible applicant shall be for the period commencing the day following the last day of disability included within the period for the maximum number of weekly Sickness and Accident Benefits, including weeks in which such Sickness and Accident Benefits were partially or wholly offset because of receipt of Workers Compensation benefits.

(2) The maximum period during which Extended Disability Benefits may be payable shall be:

(i) in the case of an employee who has ten or

more Years of Participation as of the day on which disability commenced, the number of months commencing with the month in which the date of the expiration of the maximum number of weekly Sickness and Accident Benefits occurs and terminating with the end of the month in which the employee attains age 65; and

(ii) in the case of an employee who has less than ten Years of Participation as of the day on which disability commenced, the number of months by which the employee's Years of Participation at commencement of disability exceed the maximum number of weeks for which the employee is entitled to receive Sickness and Accident Benefits.

In any event, Extended Disability Benefits shall not be payable beyond the date of the employee's death, the end of the month in which the employee attains age 65, or the date the employee no longer satisfies the disability requirement, except that if the employee becomes disabled at or after age 63 and subsequently becomes eligible for Extended Disability Benefits, such benefits will be payable in accordance with the following schedule:

Age at Commencement of Disability		Maximum Duration of Extended Disability Benefits
Employee Is	But Less Than	
63 and 0 months	68 and 1 month	12 months
68 and 1 month	68 and 2 months	11 months
68 and 2 months	68 and 3 months	10 months
68 and 3 months	68 and 4 months	9 months
68 and 4 months	68 and 5 months	8 months
68 and 5 months	68 and 6 months	7 months
68 and 6 months and older		6 months

If an employee's return to work with the Corporation does not qualify such employee for a new period of Sickness and Accident Benefits or if the employee

engages in some gainful occupation or employment other than one for which the employee is reasonably qualified by education, training or experience, the employee's satisfying of the disability requirement shall not be deemed to end, but Extended Disability Benefits shall be suspended for the period of the return to work or the period the employee engages in such occupation or employment.

(3) If monthly Extended Disability Benefits payable to an employee are discontinued because the employee no longer satisfies the disability requirement, and within two weeks of the effective date of such discontinuance and before the employee returns to work with the Corporation, the employee again becomes disabled so as to satisfy the disability requirement, monthly Extended Disability Benefits will be resumed.

(4) For purposes of applying the maximum period for monthly Extended Disability Benefits, a month in which such benefits are partially or wholly offset by benefit payments from sources listed in subsection (b)(1), suspended under subsection (c)(2), or not paid between periods of disability under circumstances described under subsection (c)(3), is counted as a full month. Fractions of the first and last month are counted as fractions of a month.

(5) The cumulative total number of months during any previous periods of eligibility for Extended Disability Benefits, regardless of whether for the same or related disabling condition, reduces the maximum number of monthly benefit payments for which the individual is otherwise eligible under subsection (c)(2)(ii) when Extended Disability Benefits again commence.

(6) If disability is due to or accompanied by mental incapacity, all or any part of such monthly Extended Disability Benefits may, at the option of the Carrier, be paid to the beneficiary of record of the

employee or to any other person or institution then in the judgment of the Carrier contributing toward or providing for the care or maintenance of the employee.

(d) ***Rehabilitation***

There is no ineligibility for Extended Disability Benefits because of work which is determined to be primarily for training under a recognized program of vocational rehabilitation.

(e) ***Proof of Disability***

The Carrier may require an applicant, as a condition of eligibility, to submit to examinations by a physician designated by it for the purpose of determining such applicant's initial or continuing disability.

Section 8. Survivor Income Benefit Insurance

(a) ***Transition Survivor Income Benefit***

A Transition Survivor Income Benefit in the amount of $600 per month for up to a maximum of 24 months shall be provided, except that the benefit amount shall be $325 for any month for which an eligible survivor of the deceased employee is eligible for an unreduced retirement benefit, a survivor's benefit not reduced because of age, or a disability benefit under the Federal Social Security Act as now in effect or as hereafter amended; provided, however, that with respect to an employee at work on or after November 1, 2003, the $600 and $325 amounts shall be $650 and $350, respectively. Such Transition Survivor Income Benefit shall be reduced by an amount equal to the full amount of any monthly benefit payable to a surviving spouse under any pension plan or retirement program then in effect to which the Corporation or any of its subsidiaries has contributed. For months in which two or more eligible survivors share a Benefit, each survivor's share is computed as a fraction of the Benefit that would be

paid to such survivor as a sole survivor, according to the survivor's own eligibility for Social Security benefits. Survivor Income Benefit Insurance shall be in force only while an employee is insured for Extra Accident Insurance under this Article and only while such employee has at least one eligible dependent. Such insurance shall also be provided for an employee retired under the total and permanent disability provisions of the General Motors Hourly-Rate Employees Pension Plan, but only until such employee has attained age 65.

No other retired employee shall be insured hereunder.

(b) ***Payment of Transition Survivor Income Benefit***

In the event of death of an insured employee from any cause, benefits shall be payable monthly commencing on the first day of the calendar month following the death of the employee, and on the first day of each month thereafter until 24 such payments have been made or, if earlier, until there are no eligible survivors in any Class of eligible survivors. In no event shall the maximum amount payable exceed $600 for any month or $14,400 in total; provided, however, that with respect to an employee at work on or after November 1, 2003, the $600 and $14,400 amounts shall be $650 and $15,600, respectively. Payments shall be made to the eligible survivor or in equal shares, except as otherwise provided in subsection (a) above, to the eligible survivors in the first of the Classes of survivors set forth in subsection (c) herein in which there is an eligible survivor or survivors.

(c) ***Classes of Eligible Survivors***

The Classes of eligible survivors (also referred to herein as eligible dependents) and the order of qualifying for benefits are as follows:

Class A. The widow, or same-sex domestic partner who meets the eligibility criteria set forth in Section 10(c), of a deceased male employee, but only if she was legally married to, or he met the eligibility criteria for same-sex domestic partners set forth in Section 10(c) with, the deceased employee for at least one year immediately prior to his death;

Class B. The widower, or same-sex domestic partner who meets the eligibility criteria set forth in Section 10(c), of a deceased female employee, but only if he was legally married to, or she met the eligibility criteria for same-sex domestic partners set forth in Section 10(c) with, the deceased employee for at least one year immediately prior to her death;

Class C. Any child of the deceased employee, or of the same-sex domestic partner of the deceased employee meeting the eligibility criteria set forth in Section 10(c)(iii), who at the time a Transition Survivor Income Benefit first becomes payable to such child is both unmarried and either (i) under 21 years of age, or (ii) at least age 21 but under age 25 or (iii) totally and permanently disabled at any age over 21; provided, however, that a child under (ii) or (iii) must have been legally residing with and dependent upon the employee at the time of the employee's death. A child shall cease to be a Class C eligible survivor upon marrying or if not totally and permanently disabled, upon reaching age 25;

Class D. A parent of the deceased employee for whom the employee had, during the calendar year preceding the employee's death, provided at least 50% of the parent's support.

Notwithstanding the above definitions, the spouse, or same-sex domestic partner who meets the eligibility criteria set forth in Section 10(c), of a deceased employee shall be a Class A or Class B eligible survivor if such spouse was legally married to the deceased

employee, or such same-sex domestic partner met the eligibility criteria set forth in Section 10(c), at the time of the employee's death and had been legally married to the deceased employee, or met such same-sex domestic partner eligibility criteria with the deceased employee, for at least one year.

(d) ***Sequence of Payments***

Payments shall be made to the eligible survivors as set forth in subsection (c) above in the following order:

(1) ***Class A or B Eligible Survivors***

If a Class A or Class B eligible survivor dies prior to the payment of the maximum number of 24 benefit payments, the right to any remaining payments shall pass in equal shares, except as otherwise provided in subsection (a) above, for the balance of the maximum number of payments to any surviving children who then qualify under Class C or, if there are none, then in equal shares, except as otherwise provided in subsection (a) above, for the balance of the maximum number of payments to any surviving parents who then qualify under Class D. In no event, however, would any such benefit be paid to a Class C or Class D eligible survivor for any month subsequent to 24 calendar months after the date of death of the insured employee.

(2) ***Class C Eligible Survivors***

If, after having qualified under Class C, a child marries, dies, or attains age 25 (if not totally and permanently disabled), any remaining payments shall be divided equally, except as otherwise provided in subsection (a) above, among any surviving children who continue to qualify under Class C. After the last child ceases to qualify, any remaining payments shall be divided equally, except as otherwise provided in subsection (a) above, among any surviving parents who then qualify under Class D.

(3) ***Class D Eligible Survivors***

If more than one parent qualifies under Class D and either parent dies, any remaining payments shall be payable to the surviving parent.

(4) ***No Eligible Survivor***

If no eligible survivor of the employee qualifies in any Class on the first of the month following the death of the employee, no payments will be made hereunder. Once begun, payments will cease when there is no eligible survivor in any Class.

(e) ***Bridge Survivor Income Benefits for Class A or Class B Eligible Survivors***

There shall also be payable in accordance with the terms and conditions of this subsection to a Class A or Class B eligible survivor, both terms as defined in subsection (c) above, who is 45 years of age or more on the date of the employee's death, or whose age, when combined with the employee's Years of Participation (both of which are to be determined to the nearest 1/12, and as of the date of the employee's death), totals 55 or more, and who has received 24 monthly payments of the Transition Survivor Income Benefit provided in subsections (a) and (b) above, an additional survivor income benefit (hereinafter referred to as a Bridge Survivor Income Benefit) of $600 per month; provided, however, that with respect to an employee at work on or after November 1, 2003, the amount shall be $650. Such monthly Bridge Survivor Income Benefit shall be reduced by an amount equal to the full amount of any monthly benefit payable to a surviving spouse under any pension plan or retirement program then in effect to which the Corporation or any of its subsidiaries has contributed. Such benefit shall be paid as follows:

(f) ***Payment of Bridge Survivor Income Benefit***

(1) The Bridge Survivor Income Benefit will become payable commencing with the first month following the month for which the 24th monthly payment of the Transition Survivor Income Benefit is paid; provided, however, that no benefit shall be payable to a Class A or Class B eligible survivor for any month for which such survivor is eligible, because of the care of a child, to receive Mother's Insurance Benefits or a comparable benefit for a father, whether or not called a Father's Insurance Benefit, under the Federal Social Security Act as now in effect or as hereafter amended.

(2) The Bridge Survivor Income Benefit will cease to be paid immediately upon the occurrence of:

(i) the death or remarriage or the date a new relationship is established with a same-sex domestic partner of the Class A or Class B eligible survivor or

(ii) attainment by the Class A or Class B eligible survivor of age 62 (age 62 and one month, if such survivor attains age 62 on or after March 1, 1982, and receives an initial Social Security Old-Age Insurance Benefit which is paid during the second month following the survivor's 62nd birthday) or such lower age at which full Widow's or Widower's Insurance Benefits or Old-Age Insurance Benefits become payable under the Federal Social Security Act as now in effect or hereafter amended.

(g) ***Privilege of Obtaining an Individual Policy of Life Insurance***

The employee shall be entitled to have issued to such employee an individual policy of life insurance in accordance with the provisions set forth in Article IV, Section 6 provided the employee has at least one

eligible dependent under any Class at the date of cessation of insurance, the employee's Basic Life Insurance ceases, and the employee applies within 31 days after the date the employee's Survivor Income Benefit Insurance ceases. The amount of such individual policy issued shall be increased by an amount equal to (or less at the option of the employee) the total amount of monthly Survivor Income Benefit Insurance payments that would have been made if the employee had died on the date the employee's insurance ceased. If the employee dies during such 31-day period, whether or not the employee shall have made application for such individual policy, the insurance company shall pay any Survivor Income Benefit Insurance which would otherwise be payable in accordance with this Section 8.

(h) ***Non-Alienation***

Except as expressly provided for in Section 10(f) of this Article, no Survivor Income Benefit payable hereunder shall be subject in any manner to assignment, pledge, attachment or encumbrance of any kind, nor subject to the debts or liability of any eligible survivor except as required by applicable law.

No other Sections of this Article, except as specifically mentioned in this Section 8, shall be applicable to this Survivor Income Benefit Insurance.

Section 9. Optional Life Insurance

(a) ***Eligibility***

An employee as defined in Article V, Section 1 who is insured for the Basic Life Insurance described in Section 2 of this Article, shall become eligible for Optional Life Insurance on the first day of the calendar month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire.

The date the employee becomes eligible for Optional Life Insurance shall be referred to hereinafter as the employee's eligibility date.

(b) ***Enrollment and Effective Dates***

The employee's Optional Life Insurance shall become effective as set forth below:

(1) If the employee enrolls on or before the employee's eligibility date, insurance becomes effective on the eligibility date.

(2) If the employee enrolls during the 31-day period following the employee's eligibility date, insurance becomes effective on the first day of the calendar month next following the date of enrollment.

(3) If the employee enrolls subsequent to the 31st day following the employee's eligibility date, or if the employee becomes insured for Optional Life Insurance and later decides to enroll for a higher amount of insurance as set forth in subsection (c) below, the employee must furnish evidence satisfactory to the insurance company (i) of the employee's good health, or (ii) that the employee has had an increase in family status because the employee has married or acquired children by birth or adoption during the 31-day period immediately prior to such enrollment. In either case, insurance shall become effective on the first day of the calendar month next following the date the insurance company approves such evidence, provided that in the case of (ii) above, the change in status still is in existence.

In any event, for an employee to become insured initially or for a higher amount of insurance, such employee must be actively at work on the date the insurance or higher amount of insurance otherwise would become effective. If the employee is not actively at work on such date, the insurance or higher amount of

insurance becomes effective on the date the employee returns to active work, provided the employee then is still eligible as set forth in subsection (a) above.

If the employee becomes insured for Optional Life Insurance and later enrolls for a lower amount of insurance as set forth in subsection (c) below, the employee shall become insured for such lower amount of insurance on the first day of the calendar month next following the last month for which the employee contributed for the higher amount, whether or not the employee then is actively at work.

(c) ***Amount of Insurance***

An employee may elect one of the following Schedules of Optional Life Insurance:

Amount of Optional Life Insurance	
Schedule I	$ 10,000
Schedule II	20,000
Schedule III	30,000
Schedule IV	40,000
Schedule V	50,000
Schedule VI	75,000
Schedule VII	100,000
Schedule VIII	125,000
Schedule IX	150,000
Schedule X*	175,000
Schedule XI*	200,000

* Effective January 1, 2004

(d) ***Contributions***

The employee shall contribute the full cost of Optional Life Insurance. Contributions shall be payable monthly in advance and, where possible, from any monies then payable to the employee in the form of wages or benefits payable under a General Motors benefit plan. The required monthly contribution for each $1000 of Optional Life Insurance is as set forth in the following schedule, which will remain in effect for the term of the Agreement.

Employee's Age (*)	Monthly Contribution for Each $1,000 of Insurance	
	Prior to January 1, 2004	Effective January 1, 2004
Under 25	$ .05	$ .05
25 - 29	.06	.06
30 - 34	.08	.08
35 - 39	.09	.09
40 - 44	.14	.13
45 - 49	.23	.22
50 - 54	.45	.44
55 - 59	.61	.61
60 - 64	1.15	1.15
65 - 69	2.00	2.00
70 - 74	3.60	3.60
75 - 79	6.50	6.50
80 - 84	10.50	10.50
85 & Over	17.00	17.00

(*) Rates during any calendar year will be based on the covered person's age as of December 31 of such year.

(e) ***Payment of Optional Life Insurance***

(1) The amount of Optional Life Insurance is payable to the beneficiary of record of the employee in the event of death from any cause while the employee is insured under the Plan for Optional Life Insurance.

(2) At the written request of the beneficiary, Optional Life Insurance shall be paid either in a lump sum or in instalments. No instalment settlement election shall be valid if such settlement would result in instalment payments of less than $10.00 each.

(3) If the insurance is payable in instalments and the beneficiary dies before all instalments have been paid, the unpaid instalments shall be commuted at the rate of interest used in computing the amount of instalment payments, and paid in one lump sum to the estate of the beneficiary unless otherwise provided in the election of an instalment settlement.

(4) The employee's insurance certificate shall set forth the administrative provisions regarding the recording

of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of the employee.

(5) This insurance is term insurance without cash, loan or paid-up values.

(f) ***Cessation of Insurance***

Optional Life Insurance shall automatically cease on the earliest of the following:

(1) The date the employee ceases to be insured for Basic Life Insurance provided in accordance with Section 2 of this Article.

(2) If the employee fails to make a required contribution for Optional Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.

(3) The date of discontinuance of Optional Life Insurance under the Plan as defined in Article V, Section 4.

(g) ***Conversion Privilege***

(1) Upon written application made to the insurance company within 31 days after the date of cessation of the employee's Optional Life Insurance because of cessation of the employee's Basic Life Insurance in accordance with Article III, Section 5(a), the employee shall be entitled to have issued to such employee by the insurance company, without evidence of insurability, an individual policy of life insurance only, without disability or accidental means death benefits. Such individual policy shall be upon one of the forms then customarily issued by the insurance company, except term insurance, and the premium for such individual policy shall be the premium applicable to the class of risk to which the employee belongs and to the form and amount of the individual policy at the employee's attained age at

the date of issue of such individual policy. The amount of such individual policy shall be equal to (or, at the option of the employee, less than) the amount of the employee's Optional Life Insurance under the Plan on the date of cessation of such insurance.

(2) Any individual policy of life insurance so issued shall become effective at the end of the 31-day period during which application for such individual policy may be made. If, however, the employee dies during such 31-day period, the insurance company shall pay to the employee's beneficiary of record, whether or not the employee shall have made application for such individual policy, the maximum amount of life insurance for which an individual policy could have been issued.

Section 10. Dependent Life Insurance

(a) ***Eligibility***

An employee as defined in Article V, Section 1 shall become eligible for Dependent Life Insurance on the first day of the calendar month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire, provided the employee is then insured for Basic Life Insurance described in Section 2 of this Article and has at least one eligible Dependent as defined in subsection (c), below.

If the employee is not then insured for such Basic Life Insurance or does not then have such a Dependent, the employee shall become eligible for Dependent Life Insurance on the first day of the calendar month following the date both these conditions are first met.

The date that the employee becomes eligible for amounts of Dependent Life Insurance under the schedules shall be referred to hereinafter as the employee's eligibility date.

(b) ***Enrollment and Effective Dates***

The employee's Dependent Life Insurance shall become effective as set forth below:

(1) If the employee enrolls on or before the employee's eligibility date, insurance becomes effective on the eligibility date, except for the amount of coverage on any Dependent that exceeds $50,000. The amount of coverage that exceeds $50,000 will become effective as set forth in (2), below.

(2) If the employee enrolls at any time for an amount of coverage that exceeds $50,000, the employee must furnish, for each Dependent whose coverage amount exceeds $50,000, evidence satisfactory to the insurance company of such Dependent's good health. In such case, the amount of insurance that exceeds $50,000 will become effective on the first day of the calendar month following the date the insurance company approves the evidence, with respect to those persons whose evidence has been approved and who are still eligible Dependents, as defined in subsection (c) below.

(3) If the employee enrolls during the 31-day period following the employee's eligibility date, insurance becomes effective on the first day of the calendar month following the date of enrollment, except for the amount of coverage on any Dependent that exceeds $50,000. The amount of coverage that exceeds $50,000 will become effective as set forth in (2), above.

(4) If the employee enrolls subsequent to the 31st day following the employee's eligibility date, or if the employee becomes insured for Dependent Life Insurance and later decides to enroll for higher amounts of insurance as set forth in subsection (d), below, the employee must furnish evidence satisfactory to the insurance company of each Dependent's good health. In such case, insurance will become effective on the first

day of the calendar month following the date the insurance company approves the evidence, with respect to those persons whose evidence has been approved and who are still eligible Dependents, as defined in subsection (c), below.

In any event, for insurance to become effective, the employee must be actively at work on the date insurance would otherwise become effective. If the employee is not actively at work on such date, insurance becomes effective on the date the employee returns to active work, provided the employee is then still eligible as set forth in subsection (a), above.

If the employee becomes insured for Dependent Life Insurance and later enrolls for lower amounts of insurance as set forth in subsection (d), below, the employee shall become insured for such lower amounts of insurance on the first day of the calendar month next following the last month for which the employee contributed for the higher amounts, whether or not the employee is then actively at work.

(c) ***Definition of Dependent***

"Dependent" means

(a) the employee's spouse,

A spouse will also include a same-sex domestic partner, provided the employee and the same-sex domestic partner meet all of the following criteria:

- Are the same sex;
- Have shared a continuous committed relationship with each other for no less than 6 (six) months, intend to do so indefinitely and have no such relationship with any other person.
- Are jointly responsible for each other's welfare and financial obligations;

- Reside in the same household;
- Are not related by blood to a degree of kinship that would prevent marriage from being recognized under the laws of their state of residence;
- Reside in a state where marriage between persons of the same sex is not recognized as a valid marriage, or, if residing in a state which recognizes same-sex unions, enter into such union as recognized by the state;
- Are at least age 18, of legal age, and legally competent to enter a contract; and
- Are not married to a third party.
- Employees will be required to submit a notarized affidavit attesting that their domestic partner relationship meets all the above criteria. Affidavits completed and submitted for health care will be recognized for purposes of this plan.

(b) any unmarried child over 14 days of age

(i) of the employee by birth, legal adoption, or legal guardianship, while such child legally resides with and is dependent upon the employee,

(ii) of the employee's spouse while such child is in the custody of and dependent upon the employee's spouse and is residing in and a member of the employee's household,

(iii) of the employee's same-sex domestic partner while such child meets the requirement to be the employee's dependent under Section 151 and 152 of the Internal Revenue Service Code and is:

- the same-sex domestic partner's child by birth or adoption,

- unmarried,
- residing with the employee,

(iv) as defined in (i), (ii) or (iii) who does not reside with the employee but is the employee's legal responsibility for the provision of health care,

(v) who resides with and is related by blood or marriage to the employee, for whom the employee provides principal support as defined by the Internal Revenue Code of the United States, and who was reported as a dependent on the employee's most recent income tax return or who qualifies in the current year for dependency tax status, or

(vi) who was eligible hereunder on the date of the employee's death and following the death of the employee, resides with the surviving spouse of the employee, for whom the surviving spouse provides principal support as defined by the Internal Revenue Code of the United States, and was reported as a dependent on the employee's surviving spouse's most recent income tax return or who qualifies in the current year for dependency tax status.

A child as defined in (i), (ii), (iii), (iv), (v) or (vi) is included until the end of the calendar year in which the child attains age 25, or regardless of age if totally and permanently disabled as defined hereinafter, provided that any such child after the end of the calendar year in which the child attains age 19 must be dependent upon the employee within the meaning of the Internal Revenue Code of the United States and must legally reside with, and be a member of the household of, the employee. "Totally and permanently disabled" means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or to be of long-continued or indefinite duration.

For the purposes of Dependent Life Insurance continued as set forth in subsection (e) below, a child born after the employee's death shall be an eligible Dependent only if such child is the issue of the surviving spouse's marriage to the deceased employee, and was conceived prior to such employee's death. Any such child shall be eligible on the same basis as a child born prior to the employee's death.

The Definition of Dependent used in this Section shall apply to the Dependent Life Insurance and Personal Accident Insurance set forth herein and shall be entirely independent of any such definition used for the Health Care Benefits set forth in the General Motors Health Care Program for Hourly Employees.

(d) *Amount of Insurance*

The amount of Dependent Life Insurance applicable to each Dependent is as follows:

AMOUNT OF INSURANCE

	DEPENDENT	
	SPOUSE	**CHILD**
Schedule I	$5,000	$2,000
Schedule II	$10,000	$4,000
Schedule III	$15,000	$6,000
Schedule IV	$20,000	$8,000
Schedule V	$25,000	$10,000
Schedule VI	$30,000	$12,000
Schedule VII	$35,000	$14,000
Schedule VIII*	$40,000	$16,000
Schedule IX*	$45,000	$18,000
Schedule X*	$50,000	$20,000
Schedule XI*	$60,000	$24,000
Schedule XII*	$75,000	$30,000

*Effective January 1, 2004

No increase in the amount of insurance in force on account of any Dependent will occur after the employee's death.

(e) *Continuation for Certain Survivors*

In the event an employee dies while insured for Dependent Life Insurance, the insurance as set forth in subsection (d) above, may be continued for the surviving spouse of the employee and any Dependent child who continues to be eligible, as set forth in subsection (c), above.

(f) *Contributions*

The employee shall contribute the full cost of Dependent Life Insurance. Contributions shall be payable monthly in advance and, where possible, from any monies then payable to the employee in the form of wages or benefits payable under any General Motors benefit plan. The required monthly contribution, regardless of the number of Dependents on whose account the employee is insured, is as set forth in the following schedules, which will remain in effect for the term of the Agreement.

Monthly Contribution Prior to January 1, 2004

Employee's Age	Schedule I $5,000/$2,000	Schedule II $10,000/$4,000	Schedule III $15,000/$6,000	Schedule IV $20,000/$8,000	Schedule V $25,000/$10,000	Schedule VI $30,000/$12,000	Schedule VII $35,000/$14,000
Under 25	$ .20	$ .40	$ .60	$ .80	$ 1.00	$ 1.20	$ 1.40
25 - 29	.20	.40	.60	.80	1.00	1.20	1.40
30 - 34	.45	.90	1.35	1.80	2.25	2.70	3.15
35 - 39	.50	1.00	1.50	2.00	2.50	3.00	3.50
40 - 44	.70	1.40	2.10	2.80	3.50	4.20	4.90
45 - 49	1.05	2.10	3.15	4.20	5.25	6.30	7.35
50 - 54	1.45	2.90	4.35	5.80	7.25	8.70	10.15
55 - 59	2.60	5.20	7.80	10.40	13.00	15.60	18.20
60 - 64	4.85	9.70	14.55	19.40	24.25	29.10	33.95
65 - 69	7.55	15.10	22.65	30.20	37.75	45.30	52.85
70 - 74	18.00	36.00	54.00	72.00	90.00	108.00	126.00
75 - 79	32.50	65.00	97.50	130.00	162.50	195.00	227.50
80 - 84	52.50	105.00	157.50	210.00	262.50	315.00	367.50
85 & Over	85.00	170.00	255.00	340.00	425.00	510.00	595.00

Monthly Contribution Effective January 1, 2004

Employee's Age	Schedule I $5,000/$2,000	Schedule II $10,000/$4,000	Schedule III $15,000/$6,000	Schedule IV $20,000/$8,000	Schedule V $25,000/$10,000	Schedule VI $30,000/$12,000
Under 25	$ .20	$ .40	$ .60	$ .80	$ 1.00	$ 1.20
25 - 29	.20	.40	.60	.80	1.00	1.20
30 - 34	.45	.90	1.35	1.80	2.25	2.70
35 - 39	.45	.90	1.35	1.80	2.25	2.70
40 - 44	.55	1.10	1.65	2.20	2.75	3.30
45 - 49	.90	1.80	2.70	3.60	4.50	5.40
50 - 54	1.30	2.60	3.90	5.20	6.50	7.80
55 - 59	2.25	4.50	6.75	9.00	11.25	13.50
60 - 64	4.30	8.60	12.90	17.20	21.50	25.80
65 - 69	6.50	13.00	19.50	26.00	32.50	39.00
70 - 74	16.20	32.40	48.60	64.80	81.00	97.20
75 - 79	32.50	65.00	97.50	130.00	162.50	195.00
80 - 84	52.50	105.00	157.50	210.00	262.50	315.00
85 & Over	85.00	170.00	255.00	340.00	425.00	510.00

(*) Effective January 1, 2004

Monthly Contribution Effective January 1, 2004

Employee's Age	Schedule VII $35,000/$14,000	Schedule VIII(*) $40,000/$16,000	Schedule IX(*) $45,000/$18,000	Schedule X(*) $50,000/$20,000	Schedule XI(*) $60,000/$24,000	Schedule XII(*) $75,000/$30,000
Under 25	$ 1.40	$ 1.60	$ 1.80	$ 2.00	$ 2.40	$ 3.00
25 - 29	1.40	1.60	1.80	2.00	2.40	3.00
30 - 34	3.15	3.60	4.05	4.50	5.40	6.75
35 - 39	3.15	3.60	4.05	4.50	5.40	6.75
40 - 44	3.85	4.40	4.95	5.50	6.60	8.25
45 - 49	6.30	7.20	8.10	9.00	10.80	13.50
50 - 54	9.10	10.40	11.70	13.00	15.60	19.50
55 - 59	15.75	18.00	20.25	22.50	27.00	33.75
60 - 64	30.10	34.40	38.70	43.00	51.60	64.50
65 - 69	45.50	52.00	58.50	65.00	78.00	97.50
70 - 74	113.40	129.60	145.80	162.00	194.40	243.00
75 - 79	227.50	260.00	292.50	325.00	390.00	487.50
80 - 84	367.50	420.00	472.50	525.00	630.00	787.50
85 & Over	595.00	680.00	765.00	850.00	1020.00	1275.00

(*) Effective January 1, 2004

When the employee attains a birthday which places the employee in a higher age bracket, the monthly contribution will change on the first day of the calendar month next following the month in which such birthday occurs.

In the case of Dependent Life Insurance continued after the employee's death, the surviving spouse of the employee shall contribute the full cost of such insurance. Contributions shall be deducted monthly, in advance, from any monies then payable to the surviving spouse under (i) Section 8 of this Article, or (ii) the General Motors Hourly-Rate Employees Pension Plan. However, to continue this insurance when the surviving spouse is not eligible for a benefit under the General Motors Hourly-Rate Employees Pension Plan and the surviving spouse's Bridge Survivor Income Benefit is suspended as set forth in Section 8(f)(1) of this Article because of the surviving spouse's eligibility for certain Social Security benefits, the spouse must make the required contribution, annually and in advance. In either case, the monthly rate of contribution for any such surviving spouse will be determined under the applicable Schedule, based on the progressing age of the surviving spouse.

(g) ***Payment of Dependent Life Insurance***

(1) If a Dependent dies from any cause while the employee is insured for Dependent Life Insurance, the amount of such insurance in force on account of the Dependent shall be paid in a lump sum to the employee.

The employee's insurance certificate shall set forth the procedure for payment of insurance in case a Dependent dies subsequent to the death of the employee.

(2) If a Dependent child dies from any cause while Dependent Life Insurance is being continued as

set forth in subsection (e), above, the insurance in force on account of the Dependent child shall be paid in a lump sum to the surviving spouse of the employee.

(3) If the surviving spouse of the employee dies from any cause while Dependent Life Insurance is being continued as set forth in subsection (e), above, the insurance in force on account of the surviving spouse shall be paid in a lump sum to the spouse's beneficiary of record if one has been designated, otherwise to the estate of the surviving spouse.

(4) The surviving spouse's insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of a Dependent.

(5) In no event will more than one claim be paid hereunder on account of the death of any insured person.

(6) This insurance is term insurance without cash, loan or paid-up values.

(h) ***Cessation of Insurance***

(1) An employee's Dependent Life Insurance shall automatically cease on the earliest of the following:

(i) The date the employee ceases to have a Dependent as defined in subsection (c), above.

(ii) The date the employee ceases to be insured for Basic Life Insurance provided in accordance with Section 2 of this Article.

(iii) If the employee fails to make a required contribution for Dependent Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.

(iv) The date of discontinuance of Dependent Life Insurance under the Plan as defined in Article V, Section 4.

(2) Any Dependent Life Insurance continued in accordance with the provisions of subsection (e), above, shall automatically cease on the earliest of the following:

(i) The date of the surviving spouse's remarriage or the date a new relationship is established with a same-sex domestic partner.

(ii) The date the surviving spouse dies.

(iii) If the surviving spouse fails to make a required contribution as set forth in subsection (f), above, when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.

(iv) The date of discontinuance of Dependent Life Insurance under the Plan as defined in Article V, Section 4.

(3) The Dependent Life Insurance on account of any Dependent shall, in any case, automatically cease on the day immediately preceding the date such person ceases to be a Dependent as defined in subsection (c) above.

(i) ***Conversion Privilege***

Upon written application made by a person to the insurance company within 31 days after the date of cessation of the Dependent Life Insurance on account of such person because of:

(1) cessation of the employee's Basic Life Insurance provided in accordance with Section 2 of this Article, unless such cessation was due to discontinuance of Dependent Life Insurance under the Plan as defined in Article V, Section 4, or

(2) cessation of Dependent Life Insurance in accordance with subsection (h)(2)(i), (iii) and (iv), above, or

(3) such person's ceasing to be a Dependent as defined in subsection (c), above,

such person shall be entitled to have an individual policy of life insurance only, without disability or extra accident insurance, issued by the insurance company, without evidence of insurability. Such individual policy shall be upon one of the forms then customarily issued by the insurance company, except term insurance, and the premium for such individual policy shall be the premium applicable to the class of risk to which such person belongs and to the form and amount of the individual policy at such person's attained age at the date of issue of such individual policy. The amount of such individual policy shall be equal to (or at the option of such person less than) the amount of Dependent Life Insurance in force on account of such person on the date of cessation of such insurance.

Any individual policy of life insurance so issued shall become effective at the end of the 31-day period during which application for such individual policy may be made. If, however, the person who is entitled to the privilege of obtaining an individual policy of life insurance dies during such 31-day period, the insurance company shall pay benefits in accordance with subsection (g), above, as though insurance had been in force, whether or not application for such individual policy shall have been made, the maximum amount of life insurance for which an individual policy could have been issued. The employee's insurance certificate shall set forth the procedure for payment of insurance in case such person dies subsequent to the death of the employee.

Section 11. Personal Accident Insurance

(a) *Eligibility*

An employee as defined in Article V, Section 1 who is insured for the Basic Life Insurance described in Section 2 of this Article, shall become eligible for Personal Accident Insurance on the employee's own account (Personal coverage) on the first day of the calendar month next following the month in which employment with the Corporation commences subsequent to such employee's most recent date of hire. If the employee is not then insured for such Life Insurance, the employee shall become eligible for Personal coverage on the first day of the calendar month following the date both these conditions are first met.

An employee shall become eligible for Family coverage (as set forth in subsection 11(d)(2) below) on the date the employee becomes eligible for Personal coverage, provided the employee has at least one eligible dependent as definedin subsection (c) below. If the employee does not then have such a dependent, the employee shall become eligible for Family coverage on the first day of the calendar month following the date the employee first acquires an eligible dependent. The date the employee becomes eligible for Personal Accident Insurance shall be referred to hereinafter as the employee's eligibility date.

(b) *Enrollment and Effective Dates*

The employee's Personal Accident Insurance shall become effective as set forth below:

(1) If the employee enrolls on or before the employee's eligibility date, insurance becomes effective on the eligibility date.

(2) If the employee enrolls subsequent to the employee's eligibility date, or if the employee becomes

insured for Personal Accident Insurance and later decides to enroll for a higher amount of insurance as set forthin subsection (d) below, insurance shall become effective on the first day of the calendar month next following the date of enrollment or change.

In any event, for an employee to become insured initially or for a higher amount of insurance, the employee must be actively at work on the date the insurance or higher amount of insurance otherwise would become effective. If the employee is not actively at work on such date, the insurance or higher amount of insurance becomes effective on the date the employee returns to active work, provided the employee then is still eligible as set forth in subsection (a) above.

If the employee becomes insured for Personal Accident Insurance and later enrolls for a lower amount of insurance as set forth in subsection (d) below, the employee shall become insured for such lower amount of insurance on the first day of the calendar month next following the month for which the employee last contributed for the higher amount, whether or not the employee then is actively at work.

(c) ***Definition of Dependent***

An eligible dependent for purposes of Personal Accident Insurance shall be as defined in Section 10(c) of this Article, except that a child will be covered from the moment of live birth.

No person may be considered a dependent of more than one employee. In the event that Family coverage is elected under this Program by more than one eligible employee, only the amount of insurance elected by the employee with the earlier birthday in the calendar year will be paid. Such payment will satisfy the Program's liability on account of the dependent's death, dismemberment, or other covered loss.

(d) ***Amount of Insurance***

(1) ***Personal Coverage***

An employee may elect coverage in units of $10,000. An employee may elect a principal sum of up to ten (10) times annual base wage, rounded to the next $10,000, up to a maximum benefit of $500,000.

(2) ***Family Coverage***

An employee may elect coverage in units of $10,000. An employee may elect a principal sum of up to ten (10) times annual base wage, rounded to the next $10,000, up to a maximum benefit of $500,000.

The amount of Personal Accident Insurance for an employee's spouse is equal to 50% of the employee's coverage amount. The amount of Personal Accident Insurance for a dependent child is equal to 10% of the employee's coverage.

The maximum amount of Personal Accident Insurance in force after the employee retires shall be $150,000. The maximum amount of Personal Accident Insurance which can be continued as set forth in (3), below, shall be $150,000. If an employee is insured for an amount greater than $150,000, such amount shall be automatically reduced to $150,000 on the effective date of the employee's retirement or the first day of the month following the employee's death, if applicable.

No increase in the amount of insurance in force on account of any Dependent will occur after the employee's retirement or death.

(3) ***Continuation for Survivors***

In the event an employee dies while insured for Family coverage under this Personal Accident Insurance, such insurance as set forth in (2) above, may

be continued for the surviving spouse of the employee and any Dependent Child who continues to be eligible, as set forth in subsection (c), above.

If the employee, or any covered family member, while insured for Personal Accident Insurance, sustains accidental bodily injuries which result in one of the following losses within 365 days of the accident, the following benefits apply:

(4) ***Schedule of Losses***

Loss	Amount Payable
Loss of life	The full amount
Loss of both hands or both feet	The full amount
Loss of one hand and one foot	The full amount
Loss of the entire sight of both eyes	The full amount
Loss of speech and hearing	The full amount*
Loss of the entire sight of one eye and one hand or foot	The full amount
Loss of one hand or one foot	1/2 The full amount
Loss of the entire sight of one eye	1/2 The full amount
Loss of speech or hearing	1/2 The full amount*
Loss of thumb and index finger (of the same hand)	1/4 The full amount*

* No benefit amount payable following the employee's retirement or under coverage continued by a surviving spouse as set forth in (3), above.

"Loss", used with reference to hand or foot, means complete severance through or above the wrist or ankle joint; as used with reference to eye, means irrecoverable loss of the entire sight thereof; as used with reference to speech and hearing, means entire and irrecoverable loss of speech or hearing and as used with reference to thumb and index finger, means complete severance through or above metacarpophalangeal joints.

For each insured individual, only one amount will be paid, the greatest applicable, for all losses sustained as a result of any one injury, except that an additional benefit will be paid as set forth in subsections (7), (8), (9), (11), and (12), below.

(5) "Paralysis" means the loss of use, without severance, of a limb and includes quadriplegia, which is total paralysis of both upper and lower limbs; paraplegia, which is total paralysis of both lower limbs; or hemiplegia, which is total paralysis of upper and lower limbs on one side of the body. This loss must be determined by a physician to be complete and not reversible. Benefits for paralysis for an insured employee, spouse or child are as set forth below:

Paralysis	
Quadriplegia	The full amount
Paraplegia	3/4 The full amount
Hemiplegia	1/2 The full amount

(6) ***Comatose***

If an insured employee, covered spouse, or covered child becomes comatose within 365 days of the accident, a benefit equal to one percent (1%) of the full amount in force on account of such comatose person shall be payable on the 32nd day of the coma and each month thereafter for a maximum of 100 months, or until death if earlier at which time any balance would be paid. If the covered person regains consciousness, benefits shall cease and coverage for Personal Accident Insurance would resume only upon re-enrollment and payment of premiums.

(7) ***Special Education***

If family coverage has been elected and the insured employee suffers a loss of life as a result of a covered accident, an additional benefit in the amount of

up to five percent (5%) of the employee's full amount [subject to a maximum of $6000 per year] will be paid for each eligible dependent child enrolled within 365 days of the death of the employee as a full-time student in an accredited college or university.

The benefit will be payable annually for up to four consecutive years providing the eligible child consecutively continues education as a full-time student. Benefits payable beyond the first year require evidence that the child has successfully completed all academic requirements of the prior school year.

No payment will be made for room, board, or other living, traveling, or clothing expenses. If there is no dependent child who qualifies, an additional benefit of $1000 will be paid to the beneficiary. No benefit amount is payable following the employee's retirement or under coverage continued by a surviving spouse as set forth in (3), above.

(8) ***Special Child Care Center***

If family coverage has been elected and the insured employee or insured spouse suffers a loss of life as a result of a covered accident, the beneficiary will receive an additional benefit in the amount of five percent (5%) of the employee's full amount [subject to a maximum of $6000 per year] for up to four years for each eligible child, under the age of 13, enrolled (or who becomes enrolled within 90 days) in a qualified child care center.

If there is no dependent child who qualifies, an additional benefit of $1000 will be paid to the beneficiary. No benefit amount is payable following the employee's retirement or under coverage continued by a surviving spouse as set forth in (3), above.

(9) ***Spousal Occupational Training***

If family coverage has been elected and the

insured employee suffers a loss of life as a result of a covered accident, a surviving spouse enrolled in a formal occupational training program in order to become specifically qualified for active employment in an occupation for which the spouse would not have sufficient qualification otherwise, will be reimbursed for expenses actually incurred up to five percent (5%) of the employee's full amount [subject to a maximum of $6000 per year]. To be reimbursed, such expenses must be reasonable and necessary and must be incurred within three (3) years of the date of the employee's death. No payment will be made for room, board, or other living, traveling, or clothing expenses. No benefit amount is payable following the employee's retirement or under coverage continued by a surviving spouse as set forth in (3), above.

(10) ***Common Disaster***

If family coverage has been elected and an insured employee and insured spouse suffer a loss of life in the same covered accident, or separate covered accidents which occur within 48 hours of each other (common disaster), the amount payable by reason of the spouse's death will equal the amount payable by reason of the insured employee's death. The common disaster benefit for the insured employee and insured spouse will not exceed $1,000,000.

(11) ***Seat Belt and Air Bag Benefit***

If an insured employee, covered spouse or covered child suffers a loss of life as a result of a covered accident while in a private passenger car and the covered person's seat belt was properly used, an additional benefit of ten percent (10%) of the covered person's full amount (subject to a maximum of $25,000) will be paid. An additional benefit of ten percent (10%) of the covered person's full amount (subject to a maximum of $25,000) will also be payable if an air bag

is deployed for the seat which such person occupied and while properly using a seat belt.

(12) ***Repatriation Expense Benefit***

If the insured employee, covered spouse or covered child suffers a loss of life as the result of a covered accident, a repatriation benefit of $2,500 ($5,000 in the case of a covered accident which occurs on or after January 1, 2004) will be paid for the preparation and transportation of the covered person's body to the city of such person's principal residence, provided the death occurred at least one hundred (100) miles away from such person's principal residence.

(e) ***Contributions***

Employees and retirees shall contribute the full cost of Personal Accident Insurance. Employee contributions shall be payable monthly in advance and, where possible, from any monies then payable to the employee in the form of wages or benefits payable under a General Motors benefit plan. Retiree contributions shall be payable annually and in advance. The required contribution for each $10,000 of Personal Accident Insurance is as set forth in the following schedules, which will remain in effect for the term of the Agreement.

Prior to Employee's Retirement

Personal Coverage	Monthly	Family Coverage	Monthly
Contribution for each $10,000 of coverage	$0.20	Contribution for each $10,000 of coverage	$0.32

After Employee's Retirement

Personal Coverage	Annual	Family Coverage	Annual
Contribution for each $10,000 of coverage	$3.24	Contribution for each $10,000 of coverage	$4.80

The required contribution for Family coverage is for the employee and the employee's eligible dependents regardless of the number insured.

In the case of Personal Accident Insurance continued after the employee's death, the surviving spouse of the employee shall contribute the full cost of such insurance beginning with the 13th month following the month of the employee's death. Contributions shall be deducted monthly in advance and, where possible, from any monies then payable to the surviving spouse under (i) Section 8 of this Article, or (ii) the General Motors Hourly-Rate Employees Pension Plan. The monthly rate of contribution for any such surviving spouse will be determined as set forth in the schedule applicable to a retiree and will be based on the amount of coverage which would have been in force on the employee, as if living.

(f) ***Exclusions***

In no case shall payment be made for any loss which is contributed to or caused, wholly or partly, directly or indirectly, by:

(1) suicide or self-destruction or any attempt thereat, whether sane or insane;

(2) bodily infirmity, sickness or disease;

(3) medical or surgical treatment (except medical or surgical treatment necessitated only due to an accidental injury);

(4) war, declared or undeclared, or any act of war except while the employee is outside the United States and Puerto Rico on Company assignment or while insured dependents are outside the United States and Puerto Rico because of the employee's assignment;

(5) injury sustained while serving in the armed

forces of any country, for which period premiums will be refunded; provided, however, that a member of an Organized Reserve Corps or National Guard Unit shall be covered during short periods of training or participation in public ceremonies;

(6) injury sustained while engaged in or taking part in aeronautics and/or aviation of any description or resulting from being in an aircraft. This policy covers riding as a passenger but not as an operator or crew member, in or on, boarding or unloading from any aircraft having a current and valid airworthiness certificate or any transport type aircraft operated by the Military Airlift Command (MAC) of the United States of America or by any similar air transport service of any duly constituted governmental authority of the recognized government of any nation anywhere in the world. Persons who are not members of the operating crew of any aircraft, who are engaged in testing, measuring, calibrating and similar operations, shall be considered passengers and not crew members;

(7) the insured person's act of aggression, participation in a felonious enterprise or illegal use of drugs.

(g) ***Payment of Personal Accident Insurance***

(1) (a) If the employee dies as a result of accidental death while insured for Personal Accident Insurance and the employee has designated a beneficiary for Personal Accident Insurance, the amount of such insurance in force shall be paid to such beneficiary.

(b) If the employee dies as a result of accidental death while insured for Personal Accident Insurance and the employee has not designated a beneficiary for Personal Accident Insurance, the amount of such insurance in force shall be paid to the beneficiary of record designated by the employee for Basic Life Insurance.

(2) If a covered family member dies as a result of accidental death while insured for Personal Accident Insurance, the amount of such insurance in force on account of the dependent shall be paid to the employee (the employee is the beneficiary for Personal Accident Insurance).

(3) At the written request of the beneficiary, the Personal Accident Insurance shall be paid either in a lump sum or in instalments. No instalment settlement election shall be valid if such settlement would result in instalment payments of less than $10.00 each.

(4) If the insurance is payable in instalments and the beneficiary dies before all instalments have been paid, the unpaid instalments shall be commuted at the rate of interest used in computing the amount of instalment payments, and paid in one lump sum to the estate of the beneficiary unless otherwise provided in the election of an instalment settlement.

(5) The employee's insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of the employee.

(6) If the surviving spouse of the employee dies as a result of accidental bodily injuries while Personal Accident Insurance is being continued as set forth in subsection (d)(3), above, the insurance in force on account of the surviving spouse shall be paid in a lump sum to the spouse's beneficiary of record if one has been designated, otherwise to the estate of the surviving spouse.

(7) If a dependent child sustains a loss as a result of accidental bodily injuries while Personal Accident Insurance is being continued as set forth in subsection (d)(3), above, the benefit shall be paid to the surviving spouse of the employee.

(8) The surviving spouse's insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of a dependent.

(9) All other indemnities are payable to the employee.

(10) This insurance is term insurance without cash, loan or paid-up values.

(h) ***Cessation of Insurance***

(1) The Personal Accident Insurance on account of an employee shall automatically cease on the earliest of the following:

(i) The date the employee ceases to be insured for Basic Life Insurance provided in accordance with Section 2 of this Article except as set forth in subsection (i), below.

(ii) If the employee fails to make a required contribution for Personal Accident Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.

(iii) The date of discontinuance of Personal Accident Insurance under the Plan as defined in Article V, Section 4.

(2) The Personal Accident Insurance on account of a covered family member shall automatically cease on the earliest of the following:

(i) On the date of termination of the employee's insurance, for reasons other than death.

(ii) On the date the dependent ceases to be an

eligible dependent as defined in subsection (c) above.

(3) Any Personal Accident Insurance continued in accordance with the provisions of subsection (d)(3), above, shall automatically cease on the earliest of the following:

(i) On the date the dependent ceases to be an eligible dependent as defined in subsection (c), above.

(ii) On the date the surviving spouse remarries or the date a new relationship is established with a same-sex domestic partner.

(iii) The date of discontinuance of Personal Accident Insurance under the Plan as defined in Article V, Section 4.

(i) ***Continuation After Cessation of Active Work***

(1) ***Employee on Leave of Absence***

During the month in which an approved leave of absence commences, an insured employee on such leave will be covered for the full calendar month provided the contribution has been made for that month.

Personal Accident Insurance coverage may be continued thereafter while the employee remains on an approved leave of absence provided the required contribution is paid to the insurer.

(2) ***Employees on layoff***

During the month in which a layoff commences, an insured employee on such layoff will be covered for the full calendar month provided the contribution has been made for that month.

Personal Accident Insurance coverage may be continued thereafter while the employee remains on layoff, as set forth in the following schedule provided the required contribution is paid to the insurer.

Years of Seniority on Last Day Worked Prior to Layoff	Maximum Number of Months for Which Coverage Can be Continued
Less than 1	0
1 but less than 2	16
2 but less than 3	18
3 but less than 4	20
4 but less than 5	22
5 but less than 10	24
10 and over	36

Contributions must be paid to the insurer within 31 days of the last month for which contributions were paid by payroll deduction and by the first day of each month thereafter.

(3) *Retirees*

Employees insured for Personal Accident Insurance on the day immediately preceding their retirement effective date may continue Personal Accident Insurance provided the required contribution is paid to the insurer annually and in advance.

ARTICLE III

CONTINUATION OF COVERAGES, CORPORATION AND EMPLOYEE CONTRIBUTIONS, AND CESSATION OF COVERAGES

Section 1. *Employees in Active Service*

The Corporation shall pay the full monthly charge for coverages provided under Article II (other than Optional Life, Dependent Life and Personal Accident Insurance) for an employee with respect to any month in which the employee has earnings from the Corporation, except as may otherwise be provided under Article I, Section 4. The employee shall contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance.

Section 2. Employees on Layoff or Leave of Absence Other Than for Disability

Coverages (other than Personal Accident Insurance) may be continued for the periods set forth below after the month in which the employee last works prior to layoff or leave of absence upon payment of any required contributions. Personal Accident Insurance may be continued as set forth in Article II, Section 11(i).

(a) For the first month all coverages provided under Article II will be continued and the Corporation shall pay the full monthly charge for such coverages (other than Optional and Dependent Life Insurance). The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(b) For the next 12 months in case of a layoff (24 months in the case of an employee who has 10 or more years of seniority as of the last day worked prior to layoff) and the next 11 months in case of a leave of absence other than for disability; only Basic Life, Extra Accident, Survivor Income Benefit, Optional Life and Dependent Life Insurance may be continued.

(1) For such period in case of a layoff, contributions shall be in accordance with certain schedules established by the Corporation related to eligibility for Supplemental Unemployment Benefits, to seniority, or on some other basis, under which coverages (other than Optional and Dependent Life Insurance) continued by a laid-off employee shall be continued without cost to such employee during a specified number of full calendar months of layoff. Corporation contributions shall commence with the first month after the month in which the Corporation contributed under the provisions of subsection (a) of this Section.

An employee shall contribute 50¢ per month per $1000 of Basic Life Insurance for such coverages (other than Optional and Dependent Life Insurance) continued in any month of layoff in which such employee is not eligible for such Corporation contributions. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(2) For such period in case of a leave of absence other than for disability an employee shall contribute 50¢ per month per $1000 of Basic Life Insurance for such coverages (other than Optional and Dependent Life Insurance) continued. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(c) Basic Life, Extra Accident, Survivor Income Benefit, Optional Life and Dependent Life Insurance may be continued by an employee while on layoff for up to 12 additional months beyond the last month for which the Corporation contributed in accordance with subsection (b)(1) of this Section. Employees shall contribute 50¢ per month per $1000 of Basic Life Insurance for such coverages (other than Optional and Dependent Life Insurance) continued for such period. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

Notwithstanding any other provisions of this Section 2, for an employee who is on a permanent layoff and returns to active work with the Corporation, and who is subsequently laid off prior to satisfying the eligibility requirements for Sickness and Accident and Extended Disability Benefit coverages set forth in Article I, Section 3(d), the number of months for which coverage may be continued as of the first day of the month next following the month in which the employee last works, and the number of months for which the Corporation shall contribute for any such continued coverage, shall be equal to the number of such months, respectively, which were available as of the last day of the month immediately preceding the date of return to work with the Corporation following the permanent layoff, increased by two additional months for which the Corporation shall pay the full monthly charge.

At the end of any period set forth above except as otherwise provided in this Article, or at any time the employee fails to make the required contributions for Basic Life, Extra Accident and Survivor Income Benefit Insurance during such period, the employee's Basic Life, Extra Accident and Survivor Income Benefit Insurance is canceled and the employee is entitled to the conversion privilege as described in Article IV, Section 6.

(d) ***Special Provisions***

(1) ***Employee Placed on Leave of Absence Other Than for Disability Because of A Clinically Anticipated Disability***

If an employee is granted a leave of absence other than for disability, because of a clinically anticipated disability based on the natural course of the employee's diagnosed condition, Sickness and Accident coverage which may have ceased in accordance with subsection (b) above during the period of such leave shall be reinstated, provided the employee is insured for Basic

Life Insurance, as of the date the employee presents medical certification from the employee's personal physician, satisfactory to the Carrier, that the employee is totally disabled and shall remain in force on the same basis as set forth in Section 3 of this Article. Commencing with the month in which such Sickness and Accident Benefit coverage is reinstated, the Corporation shall pay the full monthly charge for such coverage on the same basis as set forth in Section 3(a) of this Article for an employee on an approved disability leave of absence. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(2) ***Employee Placed on Layoff From Disability Leave of Absence***

For an employee at work on or after March 1, 1982 who, upon reporting for work from an approved disability leave of absence, is immediately placed on layoff, the day such employee reports for work shall be deemed to be the day the employee last works prior to layoff and the coverages to be continued during such layoff will be that for which the employee was covered on the actual day the employee last worked, but only for purposes of this Section 2.

(3) ***Employee Placed on Layoff From Military Leave of Absence***

Notwithstanding any other provisions of the Program, if an employee upon reporting for work from military leave of absence in accordance with the terms of such leave is immediately placed on layoff, the day such employee reports for work shall be deemed to be the employee's last day worked prior to layoff but only for purposes of determining the period of continuation and eligibility for Corporation contributions for Basic Life, Extra Accident and Survivor Income Benefit Insurance coverages under the provisions of the Program applicable to laid-off employees.

Section 3. Disabled Employees

Coverages (other than Personal Accident Insurance) may be continued for the periods set forth below after the month in which the employee last works prior to disability upon payment of any required contributions. Personal Accident Insurance may be continued as set forth in Article II, Section 11(i).

(a) For any period during which an employee

(1) shall be entitled to receive Sickness and Accident Benefits, or

(2) is totally and continuously disabled while covered for Sickness and Accident Benefits and such employee remains on an approved disability leave of absence but not to exceed the period equal to the employee's Years of Participation as of the first day of disability,

all the employee's coverages under Article II shall remain in force, except that if an employee's disability leave is canceled because the period of such leave equaled the employee's length of seniority, all the employee's coverages under Article II shall continue to remain in force in any month in which the employee continues to receive Extended Disability Benefits subsequent to such cancellation. The Corporation shall pay the full monthly charge for such coverages (other than Optional and Dependent Life Insurance) continued. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(b) For an employee at work on or after March 1, 1982 if, within three working days after an employee's disability leave of absence is canceled by the plant because the employee's disability has ceased, the employee is again disabled so as to satisfy the disability requirements for Sickness and Accident Benefits and is thereby unable to return to work, all the employee's coverages under Article II shall remain in force while

the employee is so disabled, on the same basis as if the employee had become disabled while Sickness and Accident coverage was in force, but in no case will the duration of Sickness and Accident Benefits exceed the maximum period for which benefits would have been payable at the onset of the initial disability as set forth under Article II, Section 6(b)(1). The Corporation shall pay the full monthly charge for such coverages (other than Optional and Dependent Life Insurance) continued. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(c) An employee who is placed on an approved disability leave of absence from layoff and while not covered for Sickness and Accident Benefits may continue Basic Life, Extra Accident, Survivor Income Benefit, Optional Life and Dependent Life Insurance in any month in which such employee is totally and continuously disabled while the employee remains on such leave on the same basis as if the employee became disabled while Sickness and Accident coverage was in force.

The Corporation shall pay the full monthly charge for such insurance (other than Optional and Dependent Life Insurance) continued. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(d) If at the expiration of the applicable period specified in subsections (a), (b) or (c) above, an employee is receiving payments because of employment with the Corporation under any Workers Compensation Law or Act or any Occupational Disease Law or Act, only such employee's Basic Life, Extra Accident, Survivor Income Benefit, Optional Life and Dependent Life Insurance shall be continued for the period the employee continues to receive such payments.

The Corporation shall continue to pay the full

monthly charge for such insurance (other than Optional and Dependent Life Insurance) continued. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(e) If at the expiration of the applicable period specified in subsections (a), (b), (c) or (d) above the employee shall continue to be disabled, the following provisions apply:

(1) ***Employees With Less Than Ten Years of Participation***

An employee may continue during such employee's period of continuing total disability only Basic Life, Extra Accident, Optional Life and Dependent Life Insurance which was in force on the last day of the month in which disability commenced for a minimum period of one year from the date of disability, or, if longer, for a period not to exceed the employee's Years of Participation as of the first day of disability, but not after age 65. The employee shall contribute 50¢ per month per $1000 of Basic Life Insurance for such insurance (other than Optional and Dependent Life Insurance) continued. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

(2) ***Employees With Ten or More Years of Participation***

An employee may continue during such employee's period of continuing total disability up to age 65 only Basic Life, Extra Accident, Optional Life and Dependent Life Insurance which was in force on the last day of the month in which disability commenced. The employee shall contribute 50¢ per month per $1000 of Basic Life Insurance for such insurance (other than Optional and Dependent Life Insurance) continued, except that while the employee is adjudged totally and

permanently disabled no further contributions for such insurance (other than Optional and Dependent Life Insurance) will be required. The employee shall contribute the full cost of Optional and Dependent Life Insurance continued.

Continuing Basic Life Insurance on and after age 65 shall be determined as set forth in Article II, Section 2(b). Sickness and Accident coverage will be canceled upon retirement or upon termination of an approved disability leave of absence, if earlier. Years of Participation in such cases include the period of total and permanent disability during which contributions were not required. On and after age 65 Optional Life, Dependent Life and Personal Accident Insurance shall be determined as set forth in Article II, Section 9, 10 and 11, respectively.

Section 4. Special Continuation of Insurance

(a) *Insured Employee Between Ages 60 and 65*

An insured employee who ceases active work at or after age 60 and was insured from age 60 to the date such employee ceases active work or who has ceased active work prior to age 60 but is insured at age 60, and who in either case has five or more Years of Participation at the end of the month in which the employee attains age 60 may continue only Basic Life and Extra Accident Insurance to age 65 by making the required contributions at the rate of 50¢ per month per $1000 of Basic Life Insurance, except that such contributions shall not be required of any such retired employee eligible for benefits under Article II, Section 2 or 3 of the General Motors Hourly-Rate Employees Pension Plan.

(b) *Insured Employee Prior to Age 60*

An insured employee who retires or is retired prior to age 60 under the provisions of Article II, Section 2(a) or (b) of the General Motors Hourly-Rate Employees

Pension Plan and who was insured to the date such employee retires or was retired shall have only Basic Life and Extra Accident Insurance continued to age 65 without any premium contribution.

(c) *Uninsured Employee Retiring With Benefits*

An uninsured employee retiring with benefits under any Corporation pension plan or retirement program without returning to work from a layoff or leave of absence who thereby is unable to continue Basic Life and Extra Accident Insurance in accordance with subsections (a) or (b) above shall become insured, if such employee is then under age 65 on the first day of the month following the month in which seniority is canceled because of such retirement for the same amount the employee otherwise could have continued at the time of the employee's retirement, subject to reduction at age 65 in accordance with Article II, Section 2(b). Contributions shall not be required of any such retired employee.

(d) *Conversion Privilege and Coverage After Age 65*

(1) If the employee does not continue Basic Life Insurance in the manner set forth in (a) or (b) above, the employee may exercise the conversion privilege described in Article IV, Section 6. At attainment of age 65, an employee who has continued Basic Life and Extra Accident Insurance to that date, as set forth herein, shall have Basic Life Insurance reduced as provided in Article II, Section 2(b), and the employee's Extra Accident Insurance shall be discontinued.

(2) An employee separated at or after age 55 who is not eligible to continue Basic Life and Extra Accident Insurance under the provisions of subsections (a) and (b) above shall have all coverages discontinued and the employee shall be entitled to the conversion

privilege as described in Article IV, Section 6; except that if such separation is due to total disability the employee may continue the coverages as described in Section 3 of this Article.

Section 5. Cessation of Coverages

(a) If an employee quits or is discharged, all coverages shall automatically cease as of the day the employee quits or is discharged or on the date seniority is broken, if later.

(b) If the employee fails to make the required contributions for coverages under Article II, such coverages shall automatically cease on the date of the expiration of the last period for which such contribution was made by the employee or the Corporation.

(c) All coverages shall automatically cease upon the discontinuance of the Plan, or, if the provisions thereunder for any one of the forms of coverage in Article II are discontinued, that form of coverage shall be discontinued.

(d) If Sickness and Accident Benefit coverage does not cease in accordance with subsection (a) herein, such coverage shall automatically cease on the later of the date of:

(1) the expiration of the maximum number of weeks for which weekly benefits are payable under this coverage on account of the employee's disability, and

(2) the earlier of the expiration of the employee's approved disability leave of absence, or retirement.

Sickness and Accident Benefit coverage may be reinstated only if and when the employee returns to active work for the Corporation. However, in the event

Sickness and Accident Benefits cease while an employee's personal physician continues to certify to total disability and the employee remains on approved disability leave of absence, Sickness and Accident coverage shall remain in force but in no case would the duration of benefits exceed the maximum period for which benefits would have been payable at the onset of disability as set forth under Article II, Section 6(b)(1).

ARTICLE IV

GENERAL PROVISIONS

Section 1. Amount of Coverage Depends on Base Hourly Rate

(a) Amounts of Basic Life, Extra Accident, Sickness and Accident, and Extended Disability Benefit coverages are determined by the base hourly rate on the date the employee becomes covered under the Program.

(b) If the employee is working on an incentive method of pay, the employee's average earned hourly rate for the four pay periods (or the period of employment, if less) which include and immediately precede the applicable date as set forth in the preceding paragraph is substituted for the base hourly rate specified in the preceding paragraph in determining the amounts of coverage.

(c) Neither base hourly rate nor average earned hourly rate, as used in this Section, shall include overtime or night shift premiums or any Cost-of-Living Allowance.

(d) An employee retired under the General Motors Hourly-Rate Employees Pension Plan, other than on disability retirement, who returns to work while still covered, shall have the amount of such employee's coverages determined on the employee's base hourly rate on the date the employee returns to work, subject to reduction as set forth in Article II, Section 2(b).

Section 2. Amount of Coverage Subsequent to Becoming Covered Under the Program

(a) Subsequent to the date an employee becomes covered under the Program the amounts of Basic Life, Extra Accident, Sickness and Accident, and Extended

Disability Benefit coverages for which such employee is covered shall be based on the employee's current base hourly rate, except that if the employee is not actively at work on the date when the amount of coverage would change, the employee shall be covered for such changed amount when the employee returns to work.

(b) Changes in amounts of Basic Life, Extra Accident, Sickness and Accident, and Extended Disability Benefit coverages due to transfers from salaried to hourly payrolls shall become effective on the date of transfer, provided the employee is then actively at work. If the employee is not actively at work on such date, the change will be effective on the date of the employee's return to work.

(c) Irrespective of the foregoing, in the event of death or commencement of total disability, if an employee's base hourly rate on either of the two quarterly review dates (January 1, April 1, July 1, or October 1) immediately preceding such employee's last day worked [or in the case of an employee working on an incentive method of pay, the employee's average earned hourly rate for the four pay periods in which such employee worked full weeks (or the period of employment, if less) which include and immediately precede the employee's last day worked] would entitle the employee to larger amounts of Basic Life, Extra Accident, Sickness and Accident, and Extended Disability Benefit coverages than those which were in effect on the date of death or total disability, payment of benefits shall be on the basis of such larger amounts.

(d) An employee who returns from an occupational disability absence and because of a continuing physical limitation connected with such occupational disability is placed on a job paying a lower base hourly rate than the job such employee held immediately prior to the employee's disability absence, will have amounts of

Basic Life, Extra Accident, Sickness and Accident, and Extended Disability Benefit coverages determined in accordance with the higher base hourly rate of the employee's former job, as determined by the Schedules of Benefits in Article II, Sections 1 and 5, for as long as the employee receives payments under any applicable Workers Compensation Law in reimbursement for the loss in pay occasioned by such physical limitation.

Section 3. Benefits for Part-Time Employees

For a part-time employee the benefit amounts set forth in Article II, Sections 1, 5, and 8 shall be payable in the same percentage relationship as the established working hours for such employee's job is to 40 hours.

Section 4. Recovery of Benefit Overpayments

(a) If it is determined that any benefit(s) paid to an employee under Article II should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to such employee and the employee shall repay the amount of the overpayment to the Carrier; provided, however, that no repayment shall be required if notice has not been given within one year from the date the overpayment was established and the overpayment was caused solely by Carrier error.

(b) If the employee fails to repay such amount of overpayment promptly, the Carrier shall arrange to recover the amount of the overpayment by making an appropriate deduction or deductions from any future benefit payment or payments payable to the employee under Article II, or may request the Corporation to make or arrange for an appropriate deduction or deductions from any monies then payable, or which may become payable, by the Corporation, or on the Corporation's behalf, or otherwise, to the employee in the form of wages or benefits. The Corporation shall have the right to make or arrange to have made deductions for

recovering such overpayments from any such present or future wages or benefits which are or become payable to such employee.

(c) At the direction of the Corporation, the Carrier shall make an appropriate deduction or deductions from any future benefit payment or payments payable to the employee under Article II for the purpose of recovering overpayments made to an employee under any General Motors employee benefit plan.

Amounts so deducted shall be remitted by the Carrier to the applicable benefit plan. The Carrier, by such remittance, shall be relieved of any further liability with respect to such payments.

(d) If the benefit overpayment is caused by a retroactive award under any state Workers Compensation Law or Act or any Occupational Disease Law or Act and applicable state law allows coordination of benefits resulting in a reduction of such award payable, the Carrier in its sole discretion, may waive part or all of the overpayment in consideration of such benefit coordination.

Section 5. Recovery of Disability Benefit Advances

If the Corporation makes advances to an employee on account of a claim for disability benefits under the Program and subsequently it is determined that no such benefits are payable or a smaller amount is payable than was anticipated, the employee shall be obligated to repay in cash the amount of such advances or overpayment, as the case may be, upon notice of the amount to be repaid, and, if such repayment is not made within 60 days after request is made by the Corporation for repayment thereof, the amount may be deducted by the Corporation from any wages thereafter payable to the employee.

Section 6. Conversion Privilege

(a) Upon written application made to the insurance company within 31 days after the date Basic Life Insurance ceases in accordance with Article III, Section 5(a), the employee shall be entitled to have issued to such employee by the insurance company, without evidence of insurability, an individual policy of life insurance only, without disability or extra accident insurance. Such individual policy shall be upon one of the forms then customarily issued by the insurance company, except term insurance, and the premium for such individual policy shall be the premium applicable to the class of risk to which the employee belongs and to the form and amount of the individual policy at the employee's attained age at the date of issue of such individual policy. The amount of such individual policy shall be equal to (or at the option of the employee less than) the amount of the employee's Basic Life Insurance under the Program on the date specified above. For an employee who is insured for Survivor Income Benefit Insurance on the date of cancellation of such employee's Basic Life Insurance, the amount of such individual policy may, at the option of the employee, be increased by an amount not to exceed the total amount of monthly Survivor Income Benefit payments that would have been made if the employee had died on the date the employee's insurance ceased.

(b) Any individual policy of life insurance so issued shall become effective at the end of the 31-day period during which application for such individual policy may be made. If, however, the employee dies during such 31-day period, the insurance company shall pay to the employee's beneficiary of record, whether or not the employee shall have made application for such individual policy, the maximum amount of life insurance for which an individual policy could have been issued, excluding any increase in such amount

because of Survivor Income Benefit Insurance. In addition, if the employee dies during such 31-day period, the insurance company shall pay any Survivor Income Benefit Insurance which would otherwise be payable in accordance with Article II, Section 8.

Section 7. Recovery of Loans Not Repaid Under the Guaranteed Income Stream Relocation Loan Program

If an employee fails to repay any loan made to such employee under the Guaranteed Income Stream Relocation Loan Program, benefit amounts due to the employee under the General Motors Life and Disability Benefits Program for Hourly Employees may be withheld and applied to repay to the Corporation the full amount of any loan (including interest) not repaid under the Guaranteed Income Stream Relocation Loan Program, pursuant to written authorization and direction acceptable to the Corporation.

ARTICLE V

DEFINITIONS

Section 1. Employee

(a) Any person regularly employed in the United States by the Corporation or by a wholly-owned or substantially wholly-owned domestic subsidiary thereof, on an hourly-rate basis, herein referred to as hourly persons or hourly employees, including:

(1) hourly persons employed on a full-time basis;

(2) hourly persons employed on incentive pay plans;

(3) students from educational institutions who are enrolled in cooperative training courses on hourly rate; and

(4) part-time hourly employees who, on a regular and continuing basis, perform jobs having definitely established working hours, but the complete performance of which requires fewer hours of work than the regular work week, provided the services of such employees are normally available for at least half of the employing unit's regular work week.

(b) ***The term "employee" shall not include***

(1) employees of any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of the Corporation acquired or formed by the Corporation on or after January 1, 1984 unless specifically approved for inclusion herein by the General Motors Corporation Board of Directors;

(2) employees represented by a labor organization which has not signed an agreement making the Program applicable to such employees;

(3) leased employees as defined under Section 414(n) of the Internal Revenue Code; or

(4) employees of Saturn Corporation.

(5) contract employees, bundled services employees, consultants, or other similarly situated individuals, or individuals who have represented themselves to be independent contractors.

The following classes of individuals are ineligible to participate in this Plan, regardless of any other Plan terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation:

(i) Any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled services" employees;

(ii) Any individual who has signed an independent contractor agreement, consulting agreement, or other similar personal service contract with the Corporation;

(iii) Any individual who both (a) is not included in any represented bargaining unit and (b) who the Corporation classifies as an independent contractor, consultant, contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded from the payroll, and regardless of whether that exclusion is correct.

Section 2. Years of Participation

(a) For service prior to September 1, 1950, Years of Participation shall equal the length of service from the continuous plant service date to September 1, 1950, plus additional recognized length of service, if any, as a salaried employee at continuous plant service date. If the employee is represented under a Collective Bargaining Agreement, length of service from continuous plant service date to September 1, 1950 shall be the employee's seniority as defined in such Agreement, at September 1, 1950. Any employee who had contributed under Group Policy 3200-G or 14000-G for Life Insurance coverage prior to September 1, 1950, and prior to such employee's seniority date shall be given credit for Years of Participation for such periods of contribution except that no such period of contribution shall be counted if prior to a period of six months or longer under Policy 3200-G or 24 months or longer under Policy 14000-G during which the employee did not contribute.

(b) For service subsequent to September 1, 1950 and prior to October 1, 1975, Years of Participation shall be the total duration of all periods after September 1, 1950 during which the employee is insured for Life Insurance whether or not the employee's service is continuous for such periods, plus any time spent by the employee on military leave, plus any period during which the employee received Total and Permanent Disability Benefits under the Program. After September 1, 1950 and prior to October 1, 1975, any employee who is not insured for Life Insurance under Article II for the whole of a period in excess of 24 consecutive months shall lose Years of Participation for any period prior to a subsequent resumption of coverage, except that there shall be no loss of Years of Participation while the employee's seniority remains unbroken.

(c) Notwithstanding the definition of Years of Participation in subsections (a) and (b) above, prior to October 1, 1975, in the case of any employee under age 65 whose years of credited service accrued prior to the end of the month in which such employee attains age 65 under the General Motors Hourly-Rate Employees Pension Plan exceed the employee's Years of Participation under the Program, such credited service shall be used for the purposes of such subsections (a) and (b) in lieu of Years of Participation.

(d) For an employee at work on and after October 1, 1975, Years of Participation shall be the sum of:

(1) the greater of such employee's Years of Participation or credited service accrued under the General Motors Hourly-Rate Employees Pension Plan as of September 30, 1975, plus

(2) the employee's credited service accrued under such Plan on and after October 1, 1975.

Section 3. Seniority

Seniority as used in this Program is whichever of the following periods is applicable to the employee.

(a) If the employee is represented under a Collective Bargaining Agreement, the employee's seniority for the purposes of this Program shall be the same as the employee's seniority as defined in such Agreement. However, if the employee has, or has had, seniority in more than one bargaining unit under a Collective Bargaining Agreement, seniority shall mean the longest seniority held in any bargaining unit. If an employee has seniority in one bargaining unit (or is in active service and subsequently acquires seniority in such bargaining unit) at the time the employee's seniority is broken in a second bargaining unit;

(1) under the time-for-time provisions of the Collective Bargaining Agreement,

(2) because of a refusal of recall to such second bargaining unit,

(3) because of a quit at such second bargaining unit to respond to recall at another bargaining unit, or

(4) because of a quit at such second bargaining unit to accept placement as a journeyman in another bargaining unit where the employee completed apprentice training,

the seniority lost at such second bargaining unit shall be included in the "longest seniority."

(b) If the employee is non-represented, the employee's seniority for the purposes of this Program shall be the employee's unbroken service as defined by rules established by the Corporation.

(c) If an employee retired under terms of the

(2) The Corporation shall make contributions for core coverages continued in accordance with subsection (b)(1) above, for the first twelve months following the month in which the employee dies, provided that, as of the employee's date of death, the surviving spouse's age is at least 45, or the surviving spouse's age, when added to the deceased employee's seniority, totals 55 or more. Thereafter, the surviving spouse may continue core coverages, on a self-pay basis, until the earlier of (a) remarriage, (b) the end of the month in which age 62 is attained, or (c) death.

(3) The Corporation shall make suitable arrangements for a surviving spouse

(i) of an employee or retired employee (but not the surviving spouse of a former employee eligible for a deferred pension or a surviving spouse or surviving divorced spouse eligible for a pre-retirement survivor benefit under Article II, Section 11 of The General Motors Hourly-Rate Employees Pension Plan) if such spouse is receiving or is eligible to receive a survivor benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan,

(ii) of a retired employee if, prior to death, the retired employee was receiving a benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan,

(iii) of a former employee whose employment was terminated at age 65 or older for any reason other than a discharge for cause with insufficient credited service to be entitled to a benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan, or

(iv) of an employee who at the time of death was eligible to retire on an early or normal pension under Article II of The General Motors Hourly-Rate Employees Pension Plan,

to participate in health care coverages; provided, however, that dental coverage shall be available to a surviving spouse age 65 or over only for months that such surviving spouse is enrolled for Medicare Part B coverage.

(4) The Corporation shall make contributions for health care coverages continued in accordance with subsection (b)(3) above only on behalf of a surviving spouse, as provided therein and in subsection (b)(5) below (including for this purpose a surviving spouse who would receive survivor benefits under The General Motors Hourly-Rate Employees Pension Plan except for receipt of Survivor Income Benefits under the General Motors Life and Disability Benefits Program), and the eligible dependents of any such spouse; provided, however, that the contributions on behalf of a surviving spouse for the month the surviving spouse becomes age 65 and subsequent months shall be made only for months that the surviving spouse is enrolled for Medicare Part B coverage.

Notwithstanding the above, no Corporation contributions, other than contributions related to subsection (b)(5) below, shall be made under this subsection (b)(4) for the surviving spouse and eligible dependents of a deceased employee or retiree hired on or after November 18, 1996, if such employee or retiree had fewer than 10 years of credited service under the Corporation's Pension Plans.

(5) The Corporation shall make suitable arrangements for a surviving spouse of an employee whose loss of life results from accidental bodily injuries caused solely by employment with General Motors Corporation, and results solely from an accident in which the cause and result are unexpected and definite as to time and place, to participate in health care coverages; provided, however, such coverages shall terminate upon

Items Agreed To
September 18, 2003

As discussed during these negotiations General Motors will implement the following procedures:

1. Subject to the completion of a Reimbursement Agreement form provided by the Corporation, General Motors Disability Advances shall be paid with respect to all claims for Sickness and Accident Benefits involving an alleged work-related injury when General Motors does not voluntarily accept liability under any Workers Compensation Law or Act for an occupational accident if medical evidence of total and continuous disability, satisfactory to the Carrier, is submitted. Such payments shall cease if the Carrier subsequently finds that the claimant is not eligible for Sickness and Accident Benefits.

2. The Claims Administrator may authorize payment of Sickness and Accident Benefits on a claim previously denied by the Carrier if the claimant submits medical evidence which, in the judgment of the Claims Administrator, would be satisfactory to support payment of the claim.

3. Sickness and Accident Benefits payable after the seventh day of disability involving an alleged accident shall not be delayed pending a determination by the Carrier as to whether benefits are payable for all or part of the first seven days of disability.

4. If a dispute arises with respect to whether Sickness and Accident Benefits are payable for all or part of the first seven days of disability for an alleged accident, and a state governmental agency responsible for administration of workers compensation or disability benefits determines that such disability was due to an accident, benefits will be paid in accordance with such determination.

5. The Corporation will encourage medical examiners under the Impartial Medical Opinion Program to discuss their findings concerning a claimant's disability with the attending physician if there is a question as to the employee's ability to return to work.

6. For purposes of coverages provided under Article II of Exhibit B-1 to the Supplemental Agreement (Life and Disability Benefits Program) between the parties dated September 18, 2003, and the Corporation contributions for such coverages, an employee who is on an approved vacation in accordance with the provisions of the Collective Bargaining Agreement between the Corporation and the Union dated September 18, 2003, will be considered to be in active service with earnings from the Corporation while on such vacation.

7. The following outlines the procedures for reducing Sickness and Accident and Extended Disability Benefits by certain Social Security Benefits as provided in Article II, Sections 6(h) and 7(b)(1)(iii) of the Supplemental Agreement Covering Life and Disability Benefits Program.

(a) In the twenty-fourth week of disability, an employee will be notified of the eligibility requirements for Social Security Disability Insurance Benefits (DIB). The employee will be advised that, effective with the payment for the twenty-sixth week of disability, Sickness and Accident (and monthly Extended Disability) Benefit computations will presume eligibility for DIB except as provided below. The employee will also be advised that, subject to the employee's completion of a Reimbursement Agreement, the employee may receive unreduced Sickness and Accident (or Extended Disability) Benefit payments, commencing with the twenty-sixth week of disability, while the employee is otherwise eligible. Further, the employee will be instructed that, if the employee's physician

anticipates that the employee's disability will not extend beyond twelve months, the employee's physician should complete a statement indicating such a prognosis. Where such a statement is provided, a reduction of Sickness and Accident (or Extended Disability) Benefits, based on presumed eligibility for DIB, will not be instituted in the twenty-sixth week of disability.

(b) In the thirtieth week of disability, any employee whose physician has not completed the statement referenced in (a) above, will be advised to apply for DIB and instructed to complete an authorization form allowing the Social Security Administration to advise the Carrier of its determination. An employee's failure to complete the authorization form within two weeks from the date of the notice instructing such employee to do so will result in the suspension of an amount of Sickness and Accident (or Extended Disability) Benefits equal to the presumed amount of DIB until the employee provides satisfactory proof that the authorization form has been completed. The employee also will be advised that the employee may authorize release of information in the Sickness and Accident (and Extended Disability) Benefit claim files to the Social Security Administration.

(c) By the sixtieth week of disability, an employee must submit to the Carrier a notice of award or disallowance of DIB, as applicable. Failure to do so will result in the suspension of an amount of Sickness and Accident (or Extended Disability) Benefit payments equal to the presumed amount of DIB until the employee provides satisfactory proof of such notice. Upon receipt of a notice of award of DIB, Sickness and Accident and Extended Disability Benefits will be reduced as provided in Article II, Sections 6(h) and 7(b)(1)(iii).

(d) Upon receipt of an initial determination of disallowance of DIB, a notice will be sent instructing the employee that within two weeks from the date of the notice the employee must (1) request a Reconsideration, and (2) complete an authorization form allowing the Social Security Administration to advise the Carrier of its determination. Failure to comply with this instruction, request such Reconsideration or complete the authorization form will result in the suspension of an amount of Sickness and Accident (or Extended Disability) Benefit payments equal to the presumed amount of DIB until the employee provides satisfactory proof that such request has been filed and the authorization form has been completed.

(e) Upon receipt of a Reconsideration determination of disallowance, the Carrier will review the employee's disability claim and may send a notice to the employee instructing the employee that within two weeks from the date of the notice the employee must file for a Hearing before an administrative law judge of the Social Security Administration and complete an authorization form allowing the Social Security Administration to advise the Carrier of its determination. Failure to comply with this instruction will result in the suspension of an amount of Sickness and Accident (or Extended Disability) Benefit payments equal to the presumed amount of DIB until the employee provides satisfactory proof that such request has been filed and the authorization form has been completed.

(f) In the event of a Reconsideration or an administrative law judge Hearing determination denying DIB, and provided any subsequent review does not reverse such determination, the employee will not be required to repay any Sickness and Accident (or Extended Disability) Benefits otherwise payable, unless such denial of DIB resulted from the employee's refusal to accept vocational rehabilitation. Where such denial occurs, the

employee is obligated to repay Sickness and Accident (and Extended Disability) Benefits in an amount not to exceed the amount of DIB (Primary Insurance Amount only) to which the employee would otherwise have been entitled for the same period or periods of disability.

(g) In the event an employee files for a Hearing before an administrative law judge pursuant to instructions issued under subsection (e), above, and the administrative law judge determination denies DIB, an amount equal to any reasonable expenses which an employee incurs in conjunction with the Hearing before the administrative law judge will be paid to the employee by the Carrier upon submission of satisfactory proof of such expenses.

(h) Upon receipt of a notice of award of DIB, any overpayment of Sickness and Accident (or Extended Disability) Benefits caused by the retroactive award of DIB is to be repaid. The amount of the overpayment will be based on the actual amount (Primary Insurance Amount) of such award.

(i) In the event of a DIB award resulting from a Reconsideration or Hearing before an administrative law judge, the amount of Sickness and Accident (and Extended Disability) Benefits to be repaid will be reduced by an amount equal to any attorney fees associated with the award, provided the employee makes such repayment within 30 days of the date the employee is notified of the amount to be repaid. This reduction applies only to attorney fees associated with a successful appeal of a denial of DIB and includes only that portion of the attorney's fee associated with the period of time the employee was entitled to receive Sickness and Accident (and Extended Disability) Benefits. This reduction for such attorney fees may not exceed 25 percent of the repayment due. Attorney fees for services prior to denial of the initial application for DIB will not reduce the amount of repayment due.

(j) As an alternative, or in addition, to the DIB procedures set forth above, the Carrier may authorize an organization to evaluate an employee's claim for DIB and represent the employee in the filing of a claim or an appeal for DIB. The cost of such representation will not be paid by the employee. Failure on the part of an employee to comply, in a timely fashion, with reasonable requests from such an organization in conjunction with its representation of the employee, will result in the suspension of an amount of Sickness and Accident (or Extended Disability) Benefit payments equal to the presumed amount of DIB until the employee complies with such requests.

(k) An employee age 65 or older may be entitled to Retirement Benefits as early as the first day of total disability. No reduction of Sickness and Accident Benefits shall be made until the employee provides evidence that the employee is receiving Retirement Benefits.

(l) In addition to the requirements set forth in (b), (d) and (e) above, the Carrier shall have the right to require the employee to complete an authorization form allowing the Social Security Administration to advise the Carrier of the status of a claim for DIB. An employee's failure to complete such authorization form within two weeks from the date of the notice informing such employee of such requirement will result in the suspension of an amount of Sickness and Accident (or Extended Disability) Benefit payments equal to the presumed amount of DIB until such time as the authorization form is completed.

8. The local union benefit representative shall be given a copy of the EDB-1 letter which is furnished to an hourly employee in the benefit representative's benefit district during the 48th week of disability.

9. On request, a copy of the employee's initial Extended Disability Benefits approval notice, and any subsequent correspondence concerning the amount of the employee's Extended Disability Benefits shall be given to the local union benefit representative.

10. The local union benefit representative shall be notified promptly of an employee's or retiree's death, the age at death, and the date of death.

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Date: September 18, 2003

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Date: September 18, 2003

CLAIM APPLICATION PROCEDURE

To receive benefits, an employee (or beneficiary following the death of the employee) must file an application or claim form obtained from the Carrier, in accordance with the instructions provided. Eligibility for benefits will be determined and the claim application will be processed by the Carrier. The employee will be notified of benefits paid or, if the application for benefits is denied in whole or in part, written notice of such denial will be provided within a reasonable time but not later than 90 days (unless special circumstances require an extension), or 45 in the case of a claim for disability benefits (unless special circumstances require an extension), following receipt of the claim application. The notice will include specific reasons for the denial and will refer to the plan provisions upon which the denial is based. The notice will also include a description of any additional information that may be needed if the claim is to be resubmitted and an explanation of the procedure to be followed to have the claim reviewed if the claim has been denied.

PROCEDURE FOR REVIEW OF DENIED CLAIMS

Disability: Appeal of a Denied Claim

To afford employees a means by which they can seek review and possible reconsideration of a disability claim, denied by the Carrier, internal procedures of the Corporation will provide a procedure as follows:

The employee will have at least 180 days, but in no event more than 210 days following receipt of the formal notification letter from the Carrier by which the employee is advised of the reasons for the denial of the claim, to request in writing to have the claim reviewed. The request for review should be submitted in writing directly to the Carrier. As part of the review, the employee may submit any data or written comments to support the claim. A written decision on the employee's request will be furnished within a reasonable time but not later than 45 days (90 days if special circumstances require an extension of time and written notice of the need of an extension is provided) after the request for review is received.

This written decision on the review will include specific reasons for the decision and will set forth specific reference to plan provisions upon which the decision is based.

If the employee is not satisfied with the decision of the Carrier under the appeal procedure described above, the Corporation provides for an additional voluntary level of review as detailed in Steps 1 through 6 described below. As part of the review, the employee may submit any data or written comments to support the claim.

Any decision resulting from this voluntary procedure is intended to be final and binding upon the Corporation.

the Union if applicable, the Carrier and the employee or beneficiary. Pursuant to ERISA, the employee may seek court review subject to the above.

Appeal of Denied Life Insurance Claim and Voluntary Review of Disability Claims

To afford employees a means by which they can seek review and possible reconsideration of a denied claim for life insurance or a further review of a denied claim for disability benefits, internal procedures of General Motors Corporation will provide a procedure along the following lines:

With respect to claims denied by the Carrier

Step 1. Following receipt of the formal notification letter from the Carrier by which the employee (or beneficiary, following the death of the employee) is advised of the reasons for the denial of the employee's or beneficiary's claim, the employee or beneficiary may request the representative whom the employee's local union has designated to discuss Life and Disability Benefits Program matters to review the reasons for the denial with the management representative.

Step 2. The management representative will review the employee's case with the local union benefit representative. If needed, more details with respect to the reasons for the denial will be obtained from the Carrier by the management representative and, if appropriate, the management representative will advise what, if anything, the employee or beneficiary can do to support the claim for payment of benefits. At this meeting, there will be furnished to the local union benefit representative copies of all of the material pertinent to the claim which the Carrier has made available for examination.

Step 3. If, after discussion with the management representative, the local union benefit representative

contests the position of the Carrier as reflected by the management representative, the local union representative may refer the case on an appeal form provided for that purpose to the International Union for review with the Corporation. A copy of such appeal form shall be presented to the management representative.

Step 4. The International Union will notify the Corporation of its intent to review a case on a Step 4 appeal form provided for such purpose. The Corporation will request a review by the Carrier and will attempt to resolve the case with the International Union by providing a written answer with respect to the Carrier's determination on such form.

Step 5. If the Corporation and the International Union are unable to resolve their differences, the Corporation upon written request of the International Union, will request a review by the Carrier. Such request to the Carrier will be in writing and will incorporate the Union's position. The Carrier review of the claim will be conducted by a committee of three employees of the Carrier, at least one of whom shall be an officer of the Carrier.

Step 6. The Carrier will report to the International Union and to the Corporation its action as the result of such review.

In conjunction with the additional voluntary level of review for disability claims described above:

(i) The Program waives any right to assert that a claimant has failed to exhaust administrative remedies because the claimant did not elect to submit a benefit dispute to such additional voluntary level of review; and

(ii) The Program agrees that any statute of limitations or other defense based on timeliness is tolled

during the time such additional voluntary review is pending.

Information regarding any undue delay in the issuance of a Sickness and Accident Benefit check, in the release of a determination by the Carrier with respect to a suspended claim, lack of coverage, insufficient payment of a claim, or an anticipated claim, may be requested by the local union benefit representative in the same manner as set forth in Steps 1 and 2 of the procedure outlined herein. In such instances, the management representative shall expedite either the benefit check or the Carrier determination, or shall provide the requested information with respect to lack of coverage, insufficient payment of a claim, or an anticipated claim. Any such issue which cannot be resolved locally may be appealed as set forth in Step 4 of the procedure outlined herein.

Joint meetings of representatives of the Corporation and the International Union with the Carrier may be held at a mutually agreed upon location once every six months for the purpose of reviewing unresolved administrative problems or Life and Disability Benefits Program complaints. The basis for any such meeting shall be an agenda mutually agreed upon by the Corporation and the Union at least 30 days in advance of a mutually agreed upon meeting date and location.

Statement of Intent

Notwithstanding the provisions of Exhibit A, Section 3(c) of the General Motors Hourly-Rate Employees Pension Plan; Exhibit D, Articles V and VI of the Supplemental Unemployment Benefit Plan, and the Items Agreed to by GM-UAW SUB Board of Administration; and Exhibit E, Section 6(a) of the Guaranteed Income Stream Benefit Program, which deal with local union representatives for each of these benefit plan areas, the Corporation and the Union agree as follows:

1. ***Appointment of Benefit Representatives***

(a) Local union benefit representative(s) and alternate(s) shall be appointed or removed by the GM Department of the International Union. Management benefit representative(s) shall be appointed or removed by management.

(b) Temporary replacement appointments may be made by the local union President for a minimum of one week and a maximum of four weeks. Replacement appointments for any absence in excess of four weeks also shall be made by the GM Department of the International Union. Replacement appointments in situations when the benefit representative(s) and alternate(s) are both absent but for less than one week and are on a leave of absence pursuant to the provisions of Paragraph 109 of the GM-UAW National Agreement may be made by the local union President. Any problems that may arise under this procedure may be discussed by the Corporation with the GM Department of the International Union.

(c) A local union benefit representative shall be an employee of the Corporation having at least one year of seniority, and working at the plant where, and at the time when, such employee is to serve as such representative or alternate. No such representative or

alternate shall function until written notice has been given by the GM Department of the International Union to the Corporation. In the case of temporary appointments, the notice should be given to local Management with additional copies forwarded to the GM Department of the International Union and the Corporation.

2. ***Number of Local Union Benefit Representatives***

(a) In plants having a total of less than 600 employees, there may be one local union benefit representative and one alternate.

(b) In plants having a total of 600 but less than 1,200 employees, there may be two local union benefit representatives and two alternates.

(c) In plants having a total of 1,200 but less than 2,000 employees, there may be three local union benefit representatives and three alternates.

(d) In plants having a total of 2,000 but less than 5,000 employees, there may be four local union benefit representatives and three alternates. If such plants have a total of 1,400 or more employees on the second and third shifts combined, there may be five local union benefit representatives and two alternates.

(e) In plants having a total of 5,000 but less than 8,000 employees, there may be five local union benefit representatives and two alternates.

(f) In plants having a total of 8,000 but less than 10,000 employees, there may be six local union benefit representatives and two alternates.

(g) In plants having a total of 10,000 or more employees, there may be seven local union benefit representatives and two alternates.

The number of employees as used herein shall include active employees, employees on sick leave of absence, and employees on temporary layoff.

3. Of the total number of local union benefit representatives and alternates otherwise available, one or more representatives and alternates may be assigned to the second shift or third shift so long as the total number of representatives and alternates set forth in Paragraph 2 above is not exceeded.

4. When plant population changes occur which would increase or decrease the number of local benefit plan representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, unless such population change results from the discontinuance or addition of a shift or the opening or closing of a plant. In the event of a cessation of operations, the Corporation, at the request of the UAW General Motors Department of the International Union, will provide for the continuance of Benefit Representation. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the GM Department of the International Union.

5. Benefit Plan districts will be established by local mutual agreement. Only one local union benefit representative will function in a benefit district and will handle specified benefit plan problems raised by employees within that district pertaining to the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, and Guaranteed Income Stream Benefit Program agreements. An alternate will be permitted to function in the absence of a local benefit plan representative on the benefit plan representative's shift.

6. Any local union benefit representative may function as the member of the Pension Committee, as the member of the local Supplemental Unemployment Benefit Committee, as a member of the Guaranteed Income Stream Benefit Committee or handle benefit problems under the Life and Disability Benefits Program and the Health Care Program with respect to employees in such representative's Benefit Plan district. An alternate may function in the absence of a local union benefit representative.

7. The time available to a local union benefit representative and alternate with respect to a Benefit Plan district may not exceed eight (8) regular working hours of available time in a day.

(a) On a local union benefit representative's regular shift and without loss of pay, a local union benefit representative(s) may accompany the management benefit representative for a mutually agreeable joint off-site visit to a local hospital, an impartial medical opinion clinic or a health maintenance organization, or other similar type joint ventures, with respect to benefit plan matters.

(b) A local union benefit representative attending a scheduled Management-Union Benefit Plan meeting on a shift other than the representative's regular shift will be paid for time spent in such meeting.

(c) One local union benefit representative attending the local union retiree chapter meeting will be paid for time spent in such meeting.

(d) The time spent in such local union retiree chapter meetings, off-site visits or Management-Union Benefit Plan meetings will not result in additional hours which exceed regularly scheduled shift hours, overtime premiums or an increase in representation time being furnished as a result of the representative(s) not working a full shift on the representative's regular shift.

8. The local union benefit representative shall be retained on the shift to which the representative was assigned when appointed as such representative regardless of seniority, provided there is a job that is operating on the representative's assigned shift which the representative is able to perform.

9. The Benefit Plans - Health and Safety office may be used by local union benefit representatives during their regular working hours:

(a) To confer with retirees, beneficiaries, and surviving spouses who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension Plan, Life and Disability Benefits Program and Health Care Program Agreements.

(b) If the matter cannot be handled appropriately in or near the employee's work area, to confer with employees who, during their regular working hours, ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(c) To confer with employees who are absent from, or not at work on, their regular shift and who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(d) To write position statements and to complete necessary forms with respect to a case being appealed to the Pension, SUB, or GIS Boards by an employee in the local union benefit representative's Benefit Plan district, and to write appeals with respect to denied life, health care, and disability claims involving employees within the representative's Benefit Plan district.

(e) To file material with respect to the Pension, Life and Disability Benefits, Health Care, SUB and GIS Agreements.

(f) To make telephone calls with respect to legitimate benefit problems raised by employees under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

10. Notwithstanding Item 7 of this Statement of Intent, during overtime hours, Local Union Benefit Representatives will be scheduled to perform in-plant benefit related activities, if they would otherwise have work available in their equalization group.

MISCELLANEOUS LIFE AND DISABILITY BENEFITS PROGRAM LETTERS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties agreed that, provisions of the National Agreement between the parties dated September 18, 2003 to the contrary notwithstanding, a laid-off employee who had seniority on the last day of work prior to layoff, and who either broke seniority during the term of the 1979 or subsequent National Agreements, under the provisions of Paragraph 64(e), and who is rehired at the same plant during the term of such 2003 National Agreement, but more than 24 months following such employee's last day worked, and who reacquires seniority and receives an adjusted seniority date upon completion of the employee's probationary period, will have eligibility for coverages and the amount and type of coverages provided under the Life and Disability Benefits Program determined on the basis of such adjusted seniority date, but the effective date of such coverages shall be no earlier than the date on which the employee is actively at work after completing the employee's probationary period.

For the purpose of determining the effective date of coverages for an employee who had acquired seniority during the term of the 1979 or subsequent National Agreements, the eligibility provisions of the respective Program, rather than the 2003 Program, will apply.

For the purpose of determining eligibility for Basic Life, Extra Accident, Survivor Income Benefit, Sickness and Accident and Extended Disability Benefit coverages, an employee's adjusted seniority date shall be deemed to be such employee's most recent date of hire.

Except as specifically modified herein, the applicable provisions of the Life and Disability Benefits Program shall govern.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

General Motors and the UAW agreed to arrange for the establishment of a single Impartial Medical Opinion (IMO) administrator to schedule all IMO examinations for employees residing in areas not presently covered by local IMO agreements. Furthermore, upon approval of the local parties, such administrator also may be used in areas covered by local IMO agreements where either a physician specialty is not available or an examination cannot be obtained in a timely manner from an examiner on the approved list of physicians.

Effective January 1, 1991, such an administrator, mutually agreeable to the parties, was contracted with by the carrier responsible for administering the Corporation's disability coverages.

In any event, either party continues to have the right to terminate either the designated administrator or this arrangement, effective 90 days after giving written notice of such decision to the other party.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the levels of Rate Stabilization Reserves of the Optional and Dependent Life Insurance coverages and the Personal Accident Insurance coverage.

It was agreed, with respect to current reserve levels only, premium contributions for Dependent Life Insurance coverage would be waived for a period of five (5) months. The premium waivers would commence as soon as practicable after October 6, 2003 and will apply to employees participating at such time. Such waivers of contributions will not extend any period of continuation of coverage provided under the Plan.

Further, it was agreed that, during the term of the Collective Bargaining Agreement Dated September 18, 2003, the Union may request a review of the reserve levels of such coverages at any time. Additionally, in the event the reserves of either Optional and/or Dependent Life Insurance coverages attain or exceed thirty percent (30%) of annual premium, General Motors will initiate a review of such reserves with the International UAW.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

This will confirm an understanding between the Company and the Union with respect to the 2003 GM-UAW Life and Disability Benefits Program, incorporated as Exhibit B-1 to the 2003 Collective Bargaining Agreement between the parties, dated as of the date of this letter.

In the event the provisions of the 1987 SUB Plan are reinstated, the applicable provisions of the 1987 GM-UAW Life and Disability Benefits Program (including benefit eligibility, calculation, and duration) shall be reinstated to provide thereunder Reinstated Sickness and Accident Benefits for subsequent Weeks of layoff to otherwise eligible employees.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understandings that for purposes of Article V, Section 1(a) of the Program, the definition of Employee will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the Union requested and the Corporation agreed that deductions for Optional Life Insurance, Dependent Life Insurance and Personal Accident Insurance coverages will continue to be deducted from S&A, EDB, SUB and pension payments during the term of the 2003 Agreement.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

As discussed during these negotiations, it is the intent of the parties to continue, during the term of the Agreement, the MetLife Total Control Account® feature, or a similar arrangement, for any life insurance proceeds payable under the Life and Disability Benefits Program.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide on-going training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.

- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.
- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.

2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets, administrative manuals (where applicable), relevant contract provisions and appropriate process descriptions. Upon approval by the

Executive Board of Joint Activities, the cost of development, hardware and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties agreed that employees will be given an opportunity to enroll for or to increase the amount of Optional Life Insurance and/or Dependent Life Insurance coverage without providing evidence of insurability.

Employees who are actively employed and are current participants in Optional Life will be provided an opportunity to select a one-level increase (two levels for current participants at $150,000) in the amount of coverage in force without providing evidence of insurability. Employees who are actively employed and are current participants in Dependent Life will be provided an opportunity to select a one-level increase (participants at $35,000 can select up to $50,000) in the amount of coverage in force without providing evidence of insurability for the amount not in excess of $50,000. Employees who select an amount greater than $50,000 will be required to provide evidence of insurability for the amount in excess of $50,000. Employees who are actively employed but are not currently participating will be provided an opportunity to enroll in Schedule I of the applicable coverage without providing evidence of insurability.

The insurance or the increased amount of insurance that does not exceed $50,000 will become effective on the first day of the calendar month next following the date the employee elects such increase, provided the employee is actively at work on such date. The amount of insurance that exceeds $50,000 will become effective on the first day of the calendar month following the date the insurance company approves the evidence provided the employee is actively at work on such date.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the Procedure for Review of Denied Claims.

The parties agreed to incorporate a meeting into Step 5 of the Procedure at which representatives of the International Union, the Corporation and the Carrier will review and discuss the claim under consideration.

Following such meeting, a committee of employees of the Carrier, as presently provided in Step 5, will review all pertinent information regarding the claim, including all facts and issues discussed in the meeting, and render a decision.

The Carrier's decision will be reported to the International Union and the Corporation in accordance with Step 6 of the Procedure.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed pending changes in the appeal process for Social Security Disability Insurance Benefit (DIB) claims. The Social Security Administration has announced plans for a pilot in all or a portion of ten states. Under such pilot program, the Social Security Administration will eliminate the Reconsideration level in the current appeal process and add (at the discretion of the initial claims examiner) a claimant conference to the initial application review level.

In regard to such changes, the Parties agreed that implementation of this pilot program, and possible future expansion of these changes, necessitates a revision to the procedures set forth in Miscellaneous [Items Agreed To, 7(d) and (e)]. The Parties further agreed, where no Reconsideration level is available, the claimant will be encouraged to participate in any conference offered by the Social Security Administration as part of the initial application process. As outlined in the current DIB procedures referenced above, the Carrier will determine if the claimant is required to file for a hearing before an Administrative Law Judge following an initial determination of disallowance.

If the final process revisions released by the Social Security Administration or any future changes vary substantively from those assumed in this letter or from the process set forth in Miscellaneous [Items Agreed To, 7], the parties will meet to determine any required action.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

N= 4022 113,000

Vol 4.

Supplemental Agreement

Covering

HEALTH CARE PROGRAM

9/7/04

Effective 10/6/03 - 9/14/07

Exhibit C

33908

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

dated

September 18, 2003

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EXHIBIT C

SUPPLEMENTAL AGREEMENT

(Health Care Program)

2003 SUPPLEMENTAL AGREEMENT (HEALTH CARE PROGRAM)

On this 18th day of September, 2003, General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, on behalf of the employees covered by the Collective Bargaining Agreement of which this Supplemental Agreement becomes a part, agree as follows:

Section 1. Establishment of Program

Subject to the approval of its Board of Directors the Corporation will establish an amended Health Care Program, hereinafter referred to as the Program or this Program, a copy of which is attached hereto as Exhibit C-1 and made a part of this Agreement to the extent applicable to the employees represented by the Union and covered by this Agreement as if fully set out herein, modified and supplemented, however, by the provisions hereinafter. In the event of any conflict between the provisions of the Program and the provisions of this Agreement, the provisions of this Agreement will supersede the provisions of the Program to the extent necessary to eliminate such conflict.

In the event that the Program is not approved by the Board of Directors of the Corporation, the Corporation, within 30 days after any such disapproval, will give written notice thereof to the Union and this Agreement shall thereupon have no force or effect. In that event the matters covered by this Agreement shall be the subject of further negotiation between the Corporation and the Union.

In the event the initiation of any benefit(s) or coverage(s) described in the Program does not prove practicable or if the carriers are unable to provide such

benefit(s) or coverage(s) on the dates stipulated in such Program, the Corporation in agreement with the Union will provide new benefit(s) and/or coverage(s) as closely related as possible and of equivalent value to those not provided.

Section 2. Financing

(a) The Corporation agrees to pay the contributions due from it for the Program in accordance with the terms and provisions of Exhibit C-1.

(b) Corporation contributions for coverages, continued while on layoff pursuant to the provisions of Article III, Section 3(c) of the Program shall be in accordance with this subsection (b) as follows:

(1) In any month during which the employee is continuously laid off for one of the reasons set forth in Article IV, Section 11 of this Program, the Corporation shall provide continued coverages as set forth in the following Schedule (subject to payment by the enrollee of any required contributions):

SCHEDULE OF CONTINUANCE OF COVERAGES FOR EMPLOYEES LAID OFF AS DEFINED UNDER THIS PROGRAM[1]

Years of Seniority[2] as of Last Day Worked Prior to Layoff	Maximum Number of Months for Which Coverage Will be Continued Without Cost to Employee
Less than 1	1
1 but less than 2	4
2 but less than 3	6
3 but less than 4	8
4 but less than 5	10
5 but less than 10	13
10 and over	25

[1] Applicable to an employee at work on or after October 6, 2003. For employees who last worked prior to October 6, 2003 the provisions of the appropriate agreement apply.

[2] For the purpose of this Schedule, Seniority is defined under Article IV, Section 18 of the Program.

(2) With respect to any period of continuous layoff, changes in an employee's seniority subsequent to the date layoff begins shall not change the number of months of Corporation contributions for which such employee is eligible.

(3) Notwithstanding the provisions of Article III, Section 3(b) of the Program with respect to the requirement of unbroken seniority for continuation of coverages while on layoff, such provisions shall not prevent the continuation of coverages during a period of layoff for which the Corporation would otherwise contribute the full cost of coverages under this subsection (b).

(4) The months of continuation as determined herein are subject to adjustment under the "Regeneration" provisions of Article III, Section 3(b).

(c) Unless otherwise specifically provided herein,

the Corporation shall pay all expenses incurred by it in the administration of the Program.

Section 3. Corporation Options

(a) The options afforded the Corporation to provide coverages supplementary to state plan benefits or to substitute private coverages for state plan benefits as provided in Article I, Sections 3(a) and (b), respectively, of the Program shall be exercised only by mutual agreement between the Corporation and the Union.

(b) The options afforded the Corporation to provide coverages supplementary to any Federal coverages or to substitute coverages for the coverages provided by the Federal laws as provided in Article I, Sections 4(a) and (b), respectively, of the Program shall be exercised only by mutual agreement between the Corporation and the Union.

(c) The options afforded the Corporation to provide or withdraw coverages, to select carriers, or to change any other terms or conditions as provided for in the Program shall be exercised only by mutual agreement between the Corporation and the Union.

(d) If, in any locality a carrier fails to provide health care coverages set forth in the Program in reasonable conformance with the Program provisions, by mutual agreement between the Corporation and the Union, supplementary or replacement coverages shall be provided through another carrier.

Section 4. Administration

(a) Under Article I, 2(b) of the Program, the Corporation shall have the responsibility for administration of the Program. The parties have agreed that the last sentence of Article I, 2(b)(1) will not apply to UAW-represented primary enrollees (and their related secondary enrollees). For such individuals, Program determinations may be reviewed under the "Process for Voluntary Review of Denied Claims."

(b) The carrier(s) annually shall furnish the Corporation and the Union such information and data as may be mutually agreed upon by the parties with respect to coverages provided under the Program. A list of the agreed upon information and data to be furnished will be set forth in administrative manuals for the Program or under other arrangements mutually agreeable to the Corporation and the Union. When reasonable and practicable to differentiate it, such information and data shall be union-specific.

(c) Any provisions for coordination of benefits which may be established pursuant to Article I, Section 7 of the Program shall be implemented by mutual agreement between the Corporation and the Union.

(d) A Committee composed of an equal number of members designated by the Union and an equal number of members designated by the Corporation has been established to study and evaluate the health care coverages provided under the Program and to engage in activities that may have high potential for cost savings while achieving the maximum coverage and service for the Program enrollees for the money spent for such coverages. In the performance of its duties, this Committee shall consult with representatives of the Control Plan, carriers through which the health care coverages are administered, and others and keep the parties to the Collective Bargaining Agreement informed with respect to the problems which arise in the operation of such coverages.

Section 5. Coverages During Union Leave of Absence

(a) An employee who is on leave of absence requested by a local union to permit the employee to work for the local union may continue all health care coverages provided under the Program until the date

such leave or any extension thereof ceases to be operative.

The employee shall contribute the full monthly cost of such coverages.

(b) Furthermore, such leaves of absence existing on the applicable effective date of the amended Program for any such employees will not operate to defer the effective dates of any such coverages for such employees under the Program.

Section 6. Coverages Following Loss of Seniority

(a) The provisions of Article III, Section 7 shall apply to an employee who loses seniority under the Collective Bargaining Agreement pursuant to Paragraphs (64)(a), (64)(b), (64)(c), (64)(d), (111)(a), or (111)(b), and all coverages provided under the Program shall cease as of the last day of the month in which seniority is lost.

(b) If an employee loses seniority pursuant to Paragraphs (64)(a), (64)(b), (64)(c), (64)(d), (111)(a), or (111)(b) of the Collective Bargaining Agreement, and if such employee is seeking to have the seniority reinstated through the grievance procedure established therein, all health care coverages provided under the Program may be continued while the grievance is pending beyond the period specified in (a) above. The employee shall contribute the full monthly cost for health care coverages continued hereunder during the period of continuance beyond the period specified in (a) above.

Section 7. Active Service

For the purposes of determining eligibility and continuation rights under this Program, employees in "active service" as defined in Article IV, Section 1, shall include:

(a) local union representatives receiving compensation from the Corporation under Paragraphs (21) and (22) of the Collective Bargaining Agreement;

(b) employees whose absences are excused in advance and who are receiving compensation from the Corporation under Paragraphs (218), (218a), and (218b) of the Collective Bargaining Agreement (relating to jury duty, short-term military duty, and bereavement, respectively);

(c) employees on approved vacation time off under the applicable provisions of the Collective Bargaining Agreement;

(d) employees who would otherwise be scheduled to be at work and are absent due to a specified holiday and receiving compensation from the Corporation under Paragraph (203) of the Collective Bargaining Agreement;

(e) employees placed on Protected Employee status, pursuant to the Collective Bargaining Agreement; and

(f) employees on Paid Educational Leave (PEL) under the National PEL Program.

Section 8. Non-Applicability of Collective Bargaining Agreement Grievance Procedure

No matter respecting the Program as modified and supplemented by this Agreement, or any difference arising thereunder, shall be subject to the grievance procedure established in the Collective Bargaining Agreement. The parties have an established "Process for Voluntary Review of Denied Claims" (see Miscellaneous Health Care Program Documents). It replaces the procedure set forth in Article I, subsections 6, (c) and (e) of the Program.

Section 9. Duration of Agreement

This Agreement and Program as modified and supplemented by this Agreement shall continue in effect until the termination of the Collective Bargaining Agreement of which this is a part.

In witness hereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
RON GETTELFINGER	G. RICHARD WAGONER, JR.
RICHARD SHOEMAKER	GARY L. COWGER
JIM BEARDSLEY	TROY A. CLARKE
HENDERSON SLAUGHTER	JOHN R. BUTTERMORE
JOE SPRING	DEAN W. MUNGER
BILL STEVENSON	THOMAS A. CROSKEY
DAVE CURSON	FRANCIS S. JAWORSKI
JIM SHROAT	CARLETON V. MATZELLE
RON BIEBER	GARY N. PHELEY
SCOTT CAMPBELL	JEAN L. ROSE
ANTONIO ORTIZ	ARTHUR R. SCHWARTZ
TOM WALSH	JAY C. WILBER
TOM WEEKLEY	L. L. WILLIAMS
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LEON SKUDLAREK	JOHN P. CARDIERO
ESTHER CAMPBELL	LEON P. CORNELIUS
HAROLD COX	DONALD E. FRAZIER
GREG FEDAK	ANITA RIDDLE JOHNSON
MARK KELLY	LARRY E. KNOX
FAYE MCAFEE	TERRY LEE
RICK MCKIDDY	CHERYL A. OLLILA
PAUL MITCHELL	ALEJANDRO J. PEREZ
HAROLD SHELTON	D. SCOTT SANDEFUR
DAVID SHOEMAKER	JOHN L. BEHNFELDT
LAWRENCE SMITH	BRUCE E. BRADLEY
MAURICE STATEN	W. GARY BRYANT
CINDY SUEMNICK	KEVIN W. COBB
LARRY SZUMAL	STUART R. COHEN
RON BROGAN	PRESTON M. CRABILL
BOB BUENO	LEIGH J. DUSHANE
MIDGE COLLETTE	ANDREA M. EBBITT
MARK HAWKINS	RUTH V. FLUEGGE
JIM JENKINS	DANIEL G. GALANT
LEE JONES	MICHAEL A. HALL
MIKE JONES	RALPH E. HANSON
LARRY KUK	DAVID T. HOSEA
RICK O'DONNELL	MICHAEL G. HOUGHTON
DARRELL SHEPARD	ELIZABETH A. KEYS
CLYDE SIMS	JAMES W. LALONDE
RAY ALLEN	TERRY J. MCDOUGALL
PAUL ALLMAND	ROBERT D. MORONI
GORDON ANDREWS	DANIEL J. OSBORNE
NATE BEARDSLEY	JOSEPH J. PIECHOCKI

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Joan Bryant	Jennie F. Spring
Rebecca Cabreros	Michael Taylor
Patti Campbell	J. Mike White
Debbie Chamberlain	Janice M. Whitehouse
Jerry Chotkowski	Ava D. Aubrey
James Ciotti	James F. Ball
Jerry Clifton	Renee M. Barone
Jim Clifton	Rebecca L. Beamish
Tim Cobb	Steven L. Blackmer
Charlie Coy	Maria Bogatay
Bryan Czape	Paul E. Brasseur
Shelley Czeizler	Peter J. Buczek
Steve Czerneski	Rosemarie C. Bush
George Dakuras	Derrick Campbell
Dick Diffin	Maria T. Cantu
Terry Dolan	Magdalena T. Chavez
Don Douglas	David R. Ciesco
Dave Dremer	Robert J. Cleghorn
Scott Farraday	Michael V. Coletta
John Fedewa	Bruce R. Cooper
Tom Ford	Thomas L. Cragg
Bill Freeman	Eva J. Csendes
Ron Graham	James P. Davis
Moses Green	David W. Demko
Mike Grimes	Rita Derencius
Charlie Gross	Diane M. Downs
Leslie Haliburton	Michael J. Douglas
Frank Hammer	Edward L. Driver
Bill Hayes	Kevin B. Duff
Ken Holder	Randi C. Dulaney
Diana Hrovatin	Joan M. Ebner
Mohammed Isa	Anthony Echols
Dave Kagels	Harry Fischer
Jim King	Patrick R. Frazee
Tom Kinman	Kit Frohardt-Lane
Pete Korolenko	Dawn D. Gallinger
Dave Koscinski	Diana Gowing
Dan Lack	Cynthia M. Haley
James Lake	Robert T. Hart
Diane Lawton	Sandra A. Heard
Randy Lentz	Valerie Howard

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Greg Nelson	Thomas J. Ireland
Don Newton	Joseph L. Jarjosa
Kris Owen	Thomas F. Jelenek
Ed Parker	Barry R. Johnson
Linda Patton	Jeffrey W. Johnson
Rita Persinger	Leslie E. Jones
Steve Raich	David S. Kady
Fred Raspberry	Donald Karpinski
Bonni Reffitt	James J. Keenan
Lorenzo Rivera	Michael W. Kenerson
John Rupp	Richard J. Killewald
Russ Russaw	William B. Kilgore
Bill Savage	Cynthia Kirman
Jim Saylor	Jo Ann Kitchen
Rene Schutte	Daryl L. Klinko
Bill Scrase	David A. Kunkle
Darrell Smith	Elizabeth M. LaMarra
James Stevens	Timothy H. Lee
Stan Stoker	Tiffanie Y. Lewis
Tom Struckman	Sonja J. Lewis-Shells
Crickett Sweet	Ted M. Makowiec
Libby Tomasko	Gwendolyn D. Malone
Eddie Trent	Pamela M. Martis
Kenny VanHorn	Mark R. McCarthy
Dwayne Waldrop	Denise McDonald
Ron Walker	Timothy J. McDonald
Joanna Whitaker	Sally McMahon-Jones
Michael Wilson	David P. Middleton
Al Yelle	Edward G. Mohr
	Andrea V. Ohins
	Susan M. Pang
	Che B. Peterson
	Brian J. Pfaff
	Sharri R. Phillips
	Richard E. Pompa
	Joanne M. Pritchard
	Julie D. Putrich
	Michael W. Raleigh
	Kimberly Reed-Thomas
	Shawn M. Reynolds
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INTERNATIONAL UNION, UAW

GENERAL MOTORS CORPORATION

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TOM W. WICKHAM
MARY E. WILLIAMS
SHERRY H. WILLIAMS
CHARLES E. WRIGHT
MICHELLE A. YUCHA
BRIAN E. ZIELINSKI

EXHIBIT C-1

THE GENERAL MOTORS HEALTH CARE PROGRAM FOR HOURLY EMPLOYEES

ARTICLE I

ESTABLISHMENT, FINANCING AND ADMINISTRATION OF THE HEALTH CARE PROGRAM

Section 1. Establishment and Effective Date of the Program

(a) Establishment of the Program

General Motors Corporation on behalf of itself and its Divisions and as agent for certain of its directly or indirectly wholly-owned and substantially wholly-owned domestic subsidiaries, will establish a Health Care Program for Hourly Employees, hereinafter referred to as the Program or this Program, either through a self-insured plan or by arrangement with a carrier or carriers as set forth herein.

(b) Effective Date of the Amended Program

The Program shall become effective as to each participating group as determined by the Corporation on October 6, 2003, except as otherwise provided herein. Until October 6, 2003, the provisions of the 1999 Program shall remain in effect unless expressly indicated otherwise.

Section 2. Corporation Costs and Administrative Items

(a) Net Costs

(1) The Corporation, or a trust, shall pay the balance of the net cost of the Program over and above any enrollee contributions or payments specified in the Program. The Corporation, or a trust, shall receive and retain any credits, refunds, or reimbursements under whatever name, arising out of the Program.

(2) The Corporation, by payment of claims through carriers administering the Program or by payment of its contributions, shall be relieved of any further liability with respect to the coverage(s) or benefit(s) provided under the Program, except as otherwise may be required by the Employee Retirement Income Security Act of 1974, as amended.

(b) Administration

(1) General Motors Corporation is the Plan Administrator and has discretionary authority to interpret the terms of the Program and to determine eligibility for and entitlement to Program benefits in accordance with the terms of the Program. Any interpretation or determination made pursuant to such authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

(2) Except as agreed to between the Corporation and carriers, all administrative expenses incurred by the Corporation to execute the Program shall be borne by the Corporation.

(c) Grievance Procedure Not Applicable

It is understood that the grievance procedure of any collective bargaining agreement between the parties hereto shall not apply to this Program or any contract in connection therewith.

(d) Miscellaneous Information Related to the Employee Retirement Income Security Act of 1974 (ERISA)

(1) The end of the plan year is December 31. Records of the Program are kept on a calendar year basis.

(2) General Motors Corporation is the sponsoring employer and Administrator of the Program. The

Administrator's address is Mail Code 482-C26-D36, 300 Renaissance Center, P.O. Box 300, Detroit, Michigan 48265-3000.

(3) Service of legal process on General Motors Corporation may be made at any office of the CT Corporation. The CT Corporation, which maintains offices in all 50 states, is the statutory agent for service of legal process on General Motors Corporation. The procedure for making such service generally is known to practicing attorneys.

Service of legal process also may be made upon General Motors Corporation, at the Service of Process Office, GM Legal Staff, 400 Renaissance Center, Mail Code 482-038-210, Detroit, Michigan 48265-4000.

(e) Assignment or Alienation of An Enrollee's Interests

Except as expressly authorized by this Program or as required to comply with a Qualified Medical Child Support Order under the Omnibus Budget Reconciliation Act of 1993, benefits, claims, coverage or other interests in the Program may not be assigned, transferred or alienated by an enrollee. With the approval of the Corporation however, a carrier may pay a provider directly for services rendered, in lieu of payment to an enrollee.

Section 3. Program in States With Disability Benefits Laws

(a) Not Applicable in States With Laws Providing Such Benefits

(1) The provisions of this Program shall not be applicable to employees in states having laws which now or hereafter may provide health care coverages, under whatever name, for employees who are disabled

by non-occupational sickness or accident, or similar disability; and compliance by the Corporation with such laws shall be deemed full compliance with the provisions of the Program with respect to employees in such states. If such benefits exceed the benefits provided under the Program, the Corporation may require from employees in such states such contributions as it may deem appropriate for such excess benefits.

(2) In any state where the benefits under such state laws are on a generally lower level than the corresponding benefits under the Program, the Corporation shall, to the extent it finds it practicable, provide benefits supplementary to the state plan benefits to the extent necessary to make the total benefits as nearly comparable as practicable to the benefits of the plan provided by the Program in states without such laws.

(b) Substitution of Applicable Provisions of the Program for State Plan

The provisions of subsection (a) above to the contrary notwithstanding, the Corporation may, in any state wherein the substitution of a private plan is authorized by the law of such state, modify the provisions of the Program to the extent and in the respects necessary to secure the approval of the appropriate state governing body to substitute the plan provided by the Program in lieu of any plan provided by state law, and upon such modification and approval as a qualified plan, the Corporation may make the plan provided by the Program available to its employees in such state or states with such employee contributions as may be appropriate with respect to any benefits under such modified plan which exceed the benefits provided under the Program.

Section 4. Federal Health Care Benefits

(a) Not Applicable to Enrollees Eligible for Such Benefits

The provisions of the Program, separately or in combination, shall not be applicable to enrollees who are or may become eligible for health care benefits under any Federal health security act or any other law providing such benefits for the public at large which may be amended or enacted. Compliance by the Corporation with such laws shall be deemed full compliance with the provisions of the Program with respect to enrollees eligible for benefits under such laws. If such benefits exceed the benefits provided under the Program and the Corporation's contributions for such benefits under the Program, the Corporation may require from such enrollees such contributions as it may deem appropriate for such excess benefits.

If, as a result of such laws, the level of benefits provided for any group of enrollees is generally lower than the corresponding level of benefits under the Program, the Corporation may, at its option and to the extent it finds it practicable, provide a plan of benefits supplementary to the Federal benefits to the extent necessary to make total benefits as nearly comparable as practicable to the benefits provided under the Program.

(b) Substitution of Applicable Provisions of the Program for Benefits Under Federal Laws

The provisions of subsection (a) above to the contrary notwithstanding, the Corporation may, if Federal laws permit, substitute a plan of benefits for the benefits provided by the Federal laws referred to in subsection (a) above, and modify the provisions of the Program to the extent and in the respects necessary to secure the approval of such substitution from the appropriate governmental authority and may make such plan available to enrollees.

(c) Reduction of Health Care Benefits Because of Benefits Under Federal Law

Health care benefits, separately or in combination, provided enrollees under the Program may be reduced by the amount of such benefits provided under any Federal health security act or any other law which may be amended or enacted. In cases where the enrollee exercises an option under the Federal Social Security Act or similar law to take cash payments in lieu of health care benefits, the equivalent of such payments will be required as a contribution toward the health care coverages provided under the Program, but not to exceed the cost to the Corporation of such coverages. Such contributions may be deducted, in accordance with any applicable Federal laws, from any monies then payable to the enrollee in the form of wages or benefits payable under any General Motors benefit plan or program.

Section 5. Treatment of Existing Coverages on Effective Date

(a) Protection of employees currently covered under the Program shall be terminated on the effective dates of the provisions of the amended Program as to employees working on such effective dates, and the benefits provided by the Program shall be in lieu of and substitute for any and all other plans and benefits thereunder providing for health care benefits of any kind or nature, in which the Corporation participates.

(b) All employees currently covered under the Program who are not eligible to become covered on the effective date of the Program, as amended, or to whom any provision of the Program, as amended, is not applicable, shall be covered in accordance with the conditions, provisions, and limitations of the Program as constituted on the date each such employee was last actively at work as if such Program were being

continued during the existence of the Program set forth herein.

Section 6. Named Fiduciary

(a) Except as set forth below, the Investment Funds Committee of the Corporation's Board of Directors shall be the Named Fiduciary with respect to the Program. The Investment Funds Committee may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by the Employee Retirement Income Security Act of 1974, as amended. General Motors Investment Management Corporation (GMIMCO) is the Named Fiduciary of the Program for purposes of investment of Program assets. GMIMCO may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by The Employee Retirement Income Security Act of 1974.

(b) A mandatory appeal procedure has been established for review of denials of eligibility and/or of claims for benefits under the Program. The primary enrollee will be given adequate notice by the carrier, in writing, of the specific reasons for the denial, will be referred to the Program provisions on which the denial is based and an explanation of additional information required from, or on behalf of the enrollee for reconsideration of the claim. The primary enrollee will be given an opportunity for a full and fair review by the Named Fiduciary, or its delegate, of the decision denying the claim. If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, the enrollee will be provided either the specific rule, guideline, protocol, or other similar criterion; or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion

will be provided free of charge to the enrollee upon request. If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, the enrollee will be provided either an explanation of the scientific or clinical judgment for the determination, applying the terms of the plan to the enrollee's medical circumstances, or a statement that such explanation will be provided free of charge upon request. For purposes of deciding appeals, the carrier responsible for administering the coverage, or responsible for administering Program eligibility, as applicable, is the delegate of the Named Fiduciary. Such delegates have discretionary authority to interpret and apply the Program on behalf of the Corporation. The individual or individuals at the carrier who decide the appeal will not be the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual. The review will not afford deference to the initial adverse benefit determination. In deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the carrier shall:

(1) consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;

(2) provide for the identification of medical or vocational experts whose advice was obtained on behalf of the carrier in connection with the primary enrollee's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and,

(3) provide that the health care professional engaged for purposes of the consultation referenced

above shall be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

After the primary enrollee receives notice that a claim was denied, in whole or in part, the enrollee has at least 180 days to make a written request to the applicable carrier to have the claim reviewed. If a claim meets the definition for urgent care under applicable federal regulations, the request may be submitted by telephone.

As part of the review, the enrollee may submit any written comments that may support the claim. A written decision on the request for review will be furnished to the primary enrollee as follows:

Urgent Care Claims - In the case of a claim involving urgent care, as defined by applicable regulations, the carrier shall notify the primary enrollee of the benefit determination on review as soon as possible, taking into account the medical exigencies, but not later than 72 hours after receipt of the primary enrollee's request for review of an adverse benefit determination.

Pre-service Claims - In the case of a pre-service claim, as defined by applicable regulations, the carrier shall notify the primary enrollee of the benefit determination on review within a reasonable period of time, appropriate to the medical circumstances, but not later than 30 days after receipt by the carrier of the primary enrollee's request for review of an adverse benefit determination. In the case of a carrier that provides for two appeals of an adverse determination, such notification shall be provided, with respect to any one of such two appeals, not later than 15 days after receipt by the carrier of the primary enrollee's request for review of the adverse benefit determination.

Post-service Claims - In the case of a post-service claim, as defined by applicable regulations, the carrier shall notify the primary enrollee of the benefit determination on review within a reasonable period of time, but not later than 60 days after receipt by the carrier of the primary enrollee's request for review of an adverse benefit determination. In the case of a carrier that provides for two appeals of an adverse determination, such notification shall be provided, with respect to any one of such two appeals, not later than 30 days after receipt by the carrier of the primary enrollee's request for review of the adverse benefit determination.

The time periods specified for each category of claims above may be extended in accordance with applicable regulations.

The written decision on the review will include the specific reasons for the decision and will set forth specific reference to Program provisions upon which the decision is based. If the review by the carrier results in an adverse determination, the primary enrollee may initiate an action under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA).

(c) As an alternative to immediately initiating such civil action, a primary enrollee receiving a final determination denying eligibility for coverage under the Program or a claim for benefits may request further review by the Plan Administrator under a voluntary review process. In connection with an applicable voluntary review process, the Program:

(1) Waives any right to assert that a primary enrollee has failed to exhaust administrative remedies because the primary enrollee did not elect to submit a benefit dispute to such process; and,

(2) Agrees that any statute of limitations or other defense based on timeliness is tolled during the time such review is pending.

(d) If a claim for benefits under the Traditional or PPO option has not been approved on the basis that the Control Plan has determined that a service, supply, device or drug therapy is research, experimental or investigational in nature, the primary enrollee may request a review by an independent panel of three physicians who are recognized experts in the specialty at issue. In the event that such a review is conducted, the panel participants will be selected by parties independent of the Corporation and the carrier. At the Program's expense, the panel will review the case and, applying the standard of generally accepted medical practice, will determine whether the service, supply, device or drug therapy is research, investigational or experimental in nature as defined under the Program in the individual case under appeal. The panel shall have discretionary authority to interpret and apply the Program in making such determination. If at least two of the three physicians on the panel concur on a decision, that shall be the determination of the panel. The panel's decision shall be the final determination under the voluntary review process of the Program for the case under review and shall be binding on the enrollee and the Corporation. The panel's decision shall not be considered as precedent for any other case.

(e) If the primary enrollee believes a decision of the Plan Administrator in the voluntary review process is inconsistent with the terms of the Program, a request for additional review may be filed with the Employee Benefit Plans Committee of the Corporation which has the final review authority under the voluntary review process with respect to the Program.

Section 7. Coordination of Benefits (COB)

(a) *General Provisions*

Health care benefits paid under this Program shall not duplicate benefits from other sources (e.g., group

plans, comprehensive plans, pre-paid plans, governmental plans, etc.), nor serve to relieve other persons or organizations of their liability (contractual or otherwise). Consistent with these objectives, the Corporation may establish systems and procedures for coordination of benefits, and the carriers shall implement such systems and procedures.

(b) Applicability

(1) The provisions of this Section shall apply to all coverages provided under the Program. Unless precluded by law, these provisions apply whether the coverage is self-funded, or provided through pre-paid options such as health maintenance organizations.

(2) This Program shall not coordinate with individual or family policies of insurance purchased by the enrollee or with any group policy covering the enrollee for which the enrollee pays more than one-half the cost.

(3) The provisions of this Section shall not apply to expenses for services provided to or for an enrollee in relation to any condition, disease, illness or injury arising out of or in the course of employment, as such expenses are specifically excluded from the Program.

(4) The provisions of this Section shall not apply to Federal or State Medicare or Medicaid. However, they do apply to complementary coverage carried to supplement benefits available under such Federal or State programs and to other employers' plans or programs which may be primary to Medicare by virtue of Federal law.

(c) Enrollee Obligations

(1) Primary enrollees shall furnish to the Corporation the social security numbers of all secondary enrollees for whom they are claiming eligibility and for

whom they are required to provide a social security number to claim an exemption on the primary enrollee's Federal income tax return. If the secondary enrollee has not been assigned a social security number at the time of enrollment, a social security number shall be obtained promptly and reported to the Corporation. Failure to do so shall result in cancellation of coverages for such secondary enrollee.

(2) Any enrollee claiming benefits under this Program shall furnish the Program or the carrier(s) any information necessary for the purpose of administering these provisions.

(d) Release of Information

(1) The Program or carriers may release to other plans or carriers information necessary to adjudicate claims under these provisions, as permitted by applicable regulations.

(2) The Program, or carriers under this Program, may participate in organizations which are established to facilitate the COB process and may exchange information relating to enrollees for such purposes.

Such organizations must agree not to release any information obtained other than for the purpose of effectuating COB.

(e) Determining Priority

(1) The program which, under the rules of this subsection, has the first obligation to pay benefits is termed the "primary" program, and the coverages it provides are "primary." The other program (and the coverages it provides) is termed "secondary."

(2) When the other program does not contain a COB provision, that program is always primary.

(3) When the other program contains a COB provision and the order of benefit determination under both programs' COB provisions establish this Program as primary, the provisions of this Program determine this Program's liability, regardless of any payment the other program may have made.

(4) When the other program contains a COB provision, the following order of benefit determination will be used.

(i) The program covering the enrollee as an employee will be primary over the program covering the enrollee as a dependent.

(ii) When the enrollee is a dependent child whose parents are not divorced or separated, the program covering the enrollee as a dependent of the parent whose birthday occurs earlier in the calendar year will be primary over the program covering the enrollee as a dependent of the parent whose birthday occurs later in the calendar year. If the two parents' birthdays fall on the same day, the program which has covered the parent for the longer period of time will be primary.

(iii) When the enrollee is a dependent child whose parents are divorced or separated, and if there is a court order establishing financial responsibility with respect to health care expenses of the child, the program which covers the child as a dependent of the parent with such responsibility shall be primary.

If there is no court order, and the parent having custody of the child has not remarried, the program covering the child as a dependent of the parent with custody shall be primary. If there is no court order and if the parent having custody has remarried, the program covering the child as a dependent of the parent having custody shall be primary, any program covering the child as a dependent of the stepparent shall be

secondary, and the program covering the child as a dependent of the parent without custody shall determine its liability last.

(iv) When rules (i), (ii), and (iii) above do not establish an order of benefit determination, the program which has covered the enrollee for the longer period of time will be primary. However, if one program covers the enrollee as an active employee (or dependent of such employee) and the other covers the enrollee as a laid-off or retired employee (or dependent of such employee), the program covering the enrollee as an active employee (or dependent of such employee) shall be primary. Also, if the other program does not have a provision regarding laid-off or retired employees, and as a result both programs take a secondary position under their respective rules, the provisions of this subsection (iv) shall not apply and the rules of the other program shall determine which program is primary.

(f) Payment of Benefits

(1) If this Program is primary, a carrier may reimburse a secondary program for any amounts paid by such program which should have been provided by this Program.

(2) If benefits under this Program are overpaid by a carrier for any claim involving COB, the carrier shall have the right to recover such overpayment from the hospital, physician, or other provider of service, from the other program, or from the primary enrollee, as appropriate. Alternatively, the Corporation may recover on its own behalf, under Section 9 below.

(3) With regard to any claim for which this Program has secondary liability, benefits provided under this Program shall not exceed the amount of benefits payable if this Program had been primary.

(4) "Benefits paid or payable" under another program include the benefits that would have been payable had a claim been made under the primary program, or which would have been payable by the primary program but for the enrollee's failure to comply with the provisions of such program. When a program provides benefits in the form of services rather than cash payments, the reasonable cash value of each service rendered will be deemed to be a benefit payable by such program.

(5) When this Program is secondary,

(i) sanctions provided under this Program (e.g., for failure to obtain predetermination, for failure to obtain a required second opinion, for failure to obtain services from a panel provider, etc.) will not apply,

(ii) payment will be made only to the level which would have been paid by this Program had it been primary, and

(iii) no payment will be made for services which are not covered under this Program.

Section 8. Reimbursement for Third Party Liability

(a) If health care benefits are paid to, or on behalf of, an enrollee and if the enrollee makes recovery from a third party, individual or organization for any covered expenses for which benefits were paid, the Program shall be entitled to reimbursement in an amount equal to the benefits paid to, or on behalf of, the enrollee under this Program. This shall not apply to policies of insurance issued to and in the name of such enrollee. Carriers administering the Program shall take such actions as may be necessary to preserve or assert such right of reimbursement on the Program's behalf.

(b) The enrollee shall perform such acts and shall execute and deliver to the Corporation or the carrier such instruments and papers as may be necessary to secure such rights of reimbursement.

Section 9. Recovery of Benefit Overpayments

If it is determined that any benefit(s) paid to, or on behalf of, an enrollee under this Program should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to the applicable primary enrollee and such primary enrollee shall repay the amount of the overpayment.

If the primary enrollee fails to repay such amount of overpayment promptly, the Corporation shall arrange to recover the amount of such overpayment by making an appropriate deduction or deductions from any monies then payable, or which may become payable, by the Corporation or on the Corporation's behalf, or otherwise, to the primary enrollee in the form of wages or benefits. The Corporation shall have the right, in accordance with applicable Federal laws, to make, or to arrange to have made, deductions for recovering such overpayments from any such present or future wages or benefits which are or become payable to such employee.

Section 10. Compliance with Federal Laws

Notwithstanding any provisions of the Program to the contrary, the Corporation shall modify administration, coverages and other terms and conditions of the Program, as necessary, to comply with applicable federal laws and regulations.

Section 11. Protected Health Information (PHI)

(a) The Corporation will comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) rules for use and disclosure of PHI, effective April 14, 2003. The Corporation will also

take such actions as may be necessary for continued compliance, in the event of subsequent amendment to HIPAA and/or implementation of related federal regulations.

(b) Permitted uses and disclosures of PHI by the Corporation in its Plan Sponsor capacity are limited to those associated with sponsorship of the Program.

(c) The Program may release PHI to the Corporation in its Plan Sponsor capacity, so long as the Plan Sponsor certifies to:

(1) Not use or further disclose the PHI other than as permitted or required by subsection (b) above or as required by law;

(2) Require any agents, including a subcontractor, to whom it provides PHI, to agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such PHI;

(3) In the absence of an appropriate authorization, not use or disclose the PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Corporation, except that use or disclosure in connection with workers compensation matters will be allowed as permitted by HIPAA;

(4) Agree to report to the Program any use or disclosure of PHI that is inconsistent with the uses or disclosures provided by subsection (b) above, if and when the Plan Sponsor becomes aware of such inconsistent use or disclosure;

(5) Authorize the Program to make PHI available to enrollees as required by law;

(6) Authorize the Program to make PHI available to enrollees for amendment and to incorporate any such amendments as required by law;

(7) Authorize the Program to make available to enrollees an accounting of disclosures of PHI as required by law;

(8) Agree to make its internal practices, books, and records relating to the use and disclosure of PHI received from the Program available to the Secretary of the Department of Health and Human Services for purposes of determining the Program's compliance with HIPAA; and

(9) If feasible, return or destroy all PHI received from the Program and which is no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, the Plan Sponsor shall limit further uses and disclosures to those purposes that make the return or destruction infeasible.

(d) The Program establishes adequate separations from the Plan Sponsor as described in (1), (2) and (3) below.

(1) General Motors Corporation designates specific people, the Plans Workforce, who may use and disclose PHI on behalf of the Program for purposes of plan administration functions. The Plans Workforce interacts with certain Business Associates to perform these functions. Plan administration includes, but is not limited to, eligibility determinations, claims processing, precertification or preauthorization, billing, coordination of benefits, subrogation, business management, customer service, enrollment, audit functions, fraud and abuse detection, quality assurance and disease management. Plan administration does not include any employment-related functions or functions in connection with any other benefits or benefit plans, and the Program may not disclose PHI for such purposes absent an authorization from an individual to whom the information pertains, except that use or disclosure in connection with workers compensation matters will be allowed as permitted by HIPAA.

(2) Access and use of PHI by Plans Workforce members is limited to plan administration functions performed on behalf of the Program.

(3) Any issues of non-compliance by Plans Workforce members will be investigated. For General Motors employees, non-compliance may result in disciplinary action up to and including termination of employment. In the case of contract workers or consultants, non-compliance may result in termination of the contract.

(e) The Program may use and disclose PHI as described in (1), (2), (3) and (4) below.

(1) The Program may disclose PHI to the Corporation in its capacity as Plan Administrator, to carry out plan administration functions consistent with subsection (d).

(2) The Program may disclose PHI to the Plan Sponsor only if an applicable notice of privacy practices with a provision permitting such disclosure has been provided to enrollees.

(3) In the absence of an appropriate authorization, the Program may not disclose PHI to General Motors Corporation for the purpose of employment-related actions or decisions or in connection with any other benefit or employee benefit plan of the Corporation, except that use or disclosure in connection with workers compensation matters will be allowed as permitted by HIPAA.

(4) Access to PHI is restricted to persons who need it to carry out their job duties in administering the Program. Use and disclosure is limited to the amount reasonably necessary to accomplish the intended purpose.

(f) The Program may disclose Summary Health Information to the Corporation in its Plan Sponsor capacity for the purpose of:

(1) Obtaining premium bids from health plans for providing coverage under the Program; or

(2) Modifying, amending, or terminating the Program.

ARTICLE II

HEALTH CARE COVERAGES

Section 1. Establishment of Health Care Coverages

(a) Core Coverages

The Corporation shall continue its arrangements to make core coverages (hospital, surgical, medical, prescription drug, and hearing aid coverages as set forth in Appendix A and mental health and substance abuse coverages as set forth in Appendix B) available. Collectively, the coverages shall be known as the Informed Choice Plan.

(b) Non-Core Coverages

The Corporation shall continue its arrangements to make non-core coverages (dental and vision coverages as set forth in Appendices C and D, respectively, to this Program) available.

Section 2. Uniform National Health Care Coverages

(a) The Corporation shall provide uniform health care coverages, nationwide, as described in this Program and Appendices A, B, C, and D hereto, through arrangements with appropriate carriers.

(b) Core coverages (other than mental health and substance abuse) for enrollees shall be those provided under a national system by agreement between the Corporation and Blue Cross and Blue Shield of Michigan, hereinafter referred to as the Control Plan, or by agreement with other carriers.

(c) The Control Plan shall have responsibility for assuring that the core coverages as defined in Appendix A are provided and administered uniformly for Traditional option and Preferred Provider Organization option enrollees.

All carriers agreeing to provide such coverages under the Program, shall do so in accordance with interpretations and benefit practices established by the Control Plan.

(d) Under the national system each carrier with a written agreement with the Control Plan will provide uniform core coverages, as described in Appendix A, in the carrier's respective geographic area. If in any geographic area a carrier fails to enter into the agreement as stated above, or fails to perform in accordance with its agreement, the Control Plan, with the approval of the Corporation, shall provide such health care coverages in the geographic area or arrange with another carrier to do so.

(e) Core and non-core coverages may be provided through the Health Maintenance Organization option. However, the coverages provided through this option may vary from the coverages described in Appendices A, B, and D.

Section 3. Replacement or Supplementation of Coverages

If in its judgment the Corporation considers it advisable in the interest of the enrollees in any geographic area,

another arrangement may be substituted in such area or areas for all or part of the coverages referred to in Section 1 above.

Section 4. Selection of Option in the Informed Choice Plan

The Corporation will make arrangements to provide an opportunity for primary enrollees to elect to have core coverages provided through one of the options available under the Informed Choice Plan. Such election also may include a choice among dental options, where applicable. The specific choices offered to a primary enrollee will depend on the availability of approved options in the enrollee's geographic area and Medicare status of the primary and secondary enrollees. The options are as follows:

(a) Preferred Provider Organization Option

This option provides core coverages, as described in Appendix A, through access to a panel of providers who have agreed to provide services under the terms of participation established by the preferred provider organization such as limits on fees, and controls on quality and utilization. In order to receive full benefits for certain covered services, such services must be obtained through the organization's panel of providers.

(1) A preferred provider organization assumes responsibility for conducting utilization reviews, predetermination of services, or other reviews necessary to promote quality of care and control costs. A preferred provider organization may place the panel physician and other providers at financial risk through capitation, withholding of a percentage of fees, or other mechanisms, or if not, will have other means to monitor and control utilization by individual providers on a continuous basis.

(2) A preferred provider organization assumes responsibility for selection and periodic evaluation of hospitals, physicians, pharmacists, laboratories, and other providers to ensure sufficient numbers and types of providers who are geographically distributed to allow adequate access for enrollees.

(3) A preferred provider organization assumes responsibility for providing the scope and level of benefits set forth in Appendix A, monitoring the appropriateness of referrals to non-panel providers, taking affirmative corrective action with respect to providers when necessary, and implementing and maintaining other administrative processes as required by the Corporation.

(4) Payment for covered services provided by non-panel providers, unless the enrollee is referred by a panel provider, will be 80% of the non-panel provider's reasonable and customary charges for the same service or, if less, the actual charges. The reimbursement to providers by the preferred provider organization will be reduced to reflect any waiver or forgiveness by a provider of the remaining 20%.

Under this subsection, the 80% limitation on payment for charges payable to non-panel providers by the preferred provider organization shall not be applicable (i) to an individual enrollee who has incurred personal expense under this provision of $1,000 for such covered services in a calendar year or (ii) to the covered members of the enrollee's family, if any, after the enrollee and such members have incurred a total of $2,000 in personal expense under this provision for such covered services in the same calendar year.

(5) Preferred provider organizations may seek Corporation approval to establish special contractual relationships with providers not otherwise included under the Program (e.g., freestanding ambulatory

surgical centers), when it can be shown that doing so will improve quality of care and enhance cost competitiveness.

(6) Mental health and substance abuse coverage is administered in accordance with the terms and conditions of Appendix B.

(b) Health Maintenance Organization Option

This option provides coverages to enrollees through physicians, hospitals, and other providers who have agreed to provide services under the terms established by the health maintenance organization to limit fees, assure quality, and control utilization.

(1) The types of coverages and the scope and level of coverages provided under this option may vary among health maintenance organizations and may be different than the coverages set forth in Appendices A, B, and D.

(2) Most health maintenance organizations provide health care coverages (including preventive care) that generally are managed for the enrollee by a primary care physician. The primary care physician is responsible for referring the patient to other providers of service. If such referral is not obtained, the enrollee may be responsible for charges incurred.

(3) Under this option, if an enrollee receives services from a non-health maintenance organization provider, in a non-emergency situation or without a referral, such services may not be covered.

(4) The Corporation pays a capitated fee to health maintenance organizations for enrollees electing coverage through this option. The fee paid is based upon a comparison of the monthly rates of the health maintenance organization and those of the base option in the rating area. When the health maintenance

organization's rates are higher than those of the base option, the enrollee may be required to make a contribution.

(c) Traditional Option

This option provides core coverages described in Appendix A with predetermination and review procedures required in order to receive full benefits for certain covered services. These procedures include but are not limited to predetermination (which includes, but is not limited to, prior authorization or assessment for non-emergency inpatient admissions, and second opinions for selected procedures), concurrent utilization review, retrospective utilization review, and focused utilization review. In some instances, special programs (such as foot surgery predetermination or predetermination of specific outpatient procedures) will be developed and implemented, as necessary and practicable, to address specific utilization problems.

(1) Benefits for certain covered services, which require predetermination, when provided without obtaining necessary predetermination approvals will be administered according to Program standards including the provision that such services be payable at 80% of reasonable and customary charges after the first $100 of expense for such services. The reimbursement to providers will be reduced to reflect any waiver or forgiveness by a provider of the $100 or remaining 20%.

(2) Under this subsection, the 80% payment limitation and the requirement that payment be made for the first $100 of covered expenses shall not be applicable (i) to an individual enrollee who has incurred a personal expense of $750 under this provision for such covered services in a calendar year or (ii) to the covered members of the enrollee's family, if any, after the enrollee and such members have incurred a total of $1,500 in personal expense under this provision for such covered services in the same calendar year.

(3) Primary and secondary enrollees eligible for Medicare and enrolled in the Traditional option may not be subject to the predetermination and review procedures set forth above for those covered services for which Medicare has primary responsibility.

(4) In selected states, or geographic areas within a state, Traditional Care Networks (TCN) may be implemented. Such networks will apply to Traditional option enrollees residing in the respective states/areas. The scope and level of coverages may vary from those for the Traditional option in non-TCN states/areas and may involve variation in benefits for use of non-TCN providers. When a TCN is implemented, affected enrollees will be provided additional information.

(5) Mental health and substance abuse benefits are administered in accordance with the terms and conditions of Appendix B.

ARTICLE III

ENROLLMENT, ELIGIBILITY, COMMENCEMENT, CONTRIBUTIONS AND CONTINUATION

Section 1. Enrollment

(a) A primary enrollee must complete an application for the coverages in which the enrollee elects to participate. The application or enrollment form shall include an authorization for payroll or pension deductions for contributions which may be required.

(1) At the primary enrollee's option such coverage may include protection for (i) self only (single), (ii) self and spouse, self and same-sex domestic partner or self and child (two-party), or (iii) self and two (2) or more dependents (family). Family coverage shall

include only spouse or same-sex domestic partner and eligible children as defined in Section 9 of this Article.

(2) The primary enrollee may elect (i) core coverages alone, (ii) core coverages plus any or all non-core coverages, (iii) any or all non-core coverages without core coverages or (iv) waive all coverages. The primary enrollee's election determines coverage for all dependents.

(3) When multiple options exist as to carrier (e.g., PPO and one or more HMOs, traditional and one or more alternative dental options) the primary enrollee's election also shall apply to all dependents.

(4) When a husband and wife both qualify as primary enrollees, each may make a separate election. However, no individual may have coverage as both a primary and a secondary enrollee, nor as a secondary enrollee under more than one primary enrollee.

(5) If a primary enrollee's coverage otherwise available under this Program is waived or canceled, and based upon such waiver or cancellation the primary enrollee receives some financial consideration under any other Corporation plan or program, such primary enrollee shall be precluded from coverage as a secondary enrollee under another person's coverage, for a period of time equal to that upon which such consideration is based. This provision also applies to secondary enrollees, if any, included in the waiver or cancellation on which such consideration is based.

(b) The primary enrollee may be required to make monthly contributions as set forth in the Program, according to the enrollment classification, carrier option, marital status, and type and number of dependents enrolled.

Section 2. Dates of Eligibility, Commencement of Coverages, and Corporation Contributions for Active Employees

(a) Eligibility and Commencement of Coverages for Present and New Employees

An employee shall automatically become covered for all health care coverages on January 1, 1988 or if later, on the first day of the month next following the month in which the employee is actively at work after acquiring seven months of seniority. Employees who have met the above requirement but who are not in active service on the effective date as established above will have coverage activated immediately upon return to work. However, for purposes of this subsection 2(a), if an employee is scheduled to be at work, but is absent due to disability, and is consequently placed on a disability leave of absence, the employee will be deemed to be in active service and at work.

(b) Eligibility and Commencement of Coverages for Employees Changing Employment Location

The provisions of subsection 2(a) above shall not apply to an employee who loses seniority due to a quit from a location where the employee has health care coverages in force to become or remain employed at a second location. In such case, health care coverages shall be terminated at the first location as of the end of the month in which the employee loses seniority, and shall become effective at the second location on the following day, provided the employee is on the active employment roll at such second location on the date of such loss of seniority at the first location.

(c) Eligibility and Commencement of Coverages for Employees Returning to Active Work

If an employee's coverages are discontinued and the employee subsequently returns to active work, eligibility for coverages shall be determined under subsections (a) and (b) above, except as provided in subsections (1) through (4) below. For purposes of this subsection 2(c), if an employee is scheduled to return to work, but is unable to do so because of disability, and is consequently placed on a disability leave of absence, the employee will be deemed to have returned to work effective with the date the employee would otherwise have returned to work, but for the disability leave.

(1) Returning From Layoff or Leave of Absence

If an employee's coverages were discontinued while on layoff or leave of absence and the employee returns to active work with seniority, the employee shall be eligible for reinstatement of all health care coverages immediately on the date of return to active work with the Corporation.

(2) Returning From Separation From Service Due to a Quit or Discharge

If separation from service was due to a quit or discharge but the employee is reemployed within 31 days, the employee shall be eligible for reinstatement of all health care coverages immediately on the date of return to active work.

(3) Returning From Separation From Service for Reason Other Than Quit or Discharge

If separation from service was due to a reason other than quit or discharge and the employee had health care coverages in effect before seniority was canceled, and if the employee returns to active work within a period of 24 consecutive months, the employee shall be eligible for all health care coverages immediately on the date of return to active work with the Corporation.

(4) Returning From Military Leaves of Absence

An employee reporting for work from military leave of absence in accordance with the terms of such leave shall be eligible for reinstatement of all health care coverages as of the date the employee reports available for work.

(d) Corporation Contributions for Employees in Active Service

(1) With respect to any month in which the employee is in active service with the Corporation and eligible for coverage as specified in this Section 2 as of the beginning of the month, the Corporation shall make contributions for that month's coverages as specified in the Program.

(2) With respect to any month in which an employee does not meet the requirements of subsection 2(d)(1) above by virtue of not being in active service at the beginning of the month, but in which an employee returns to work and is eligible for reinstatement of coverages under subsection 2(c) above, the Corporation shall make contributions as specified in the Program effective with the date of return to work.

Section 3. Continuation of Coverages During Layoff

(a) The Corporation shall make contributions, as provided under Section 2 above, so that all health care coverages will be provided until the end of the month in which the employee is last in active service.

(b) Coverages shall be continued during periods of layoff for up to 25 consecutive months (except as provided in the following paragraph) following the last month of coverage for which the Corporation contributed for the employee in accordance with subsection (a) above, provided the employee's seniority is not broken.

Notwithstanding any other provisions of this Section 3 if an employee is on permanent layoff and returns to active work with the Corporation and is subsequently laid off prior to the day next following the 12th pay period for which the employee has earnings from one or more Corporation plants within a calendar year, the number of months for which coverage may be continued as of the first day of the month next following the month in which the employee last works, and the number of months for which the Corporation shall contribute for any such continued coverage, shall be equal to the number of such months, respectively, which were available as of the last day of the month immediately preceding the date of return to work with the Corporation following the permanent layoff increased by two additional months.

(c) The Corporation has established a schedule on the basis of Seniority, or on some other basis, under which the Corporation will contribute, during a specified number of full calendar months of layoff, for coverages continued in accordance with subsection (b) above.

(d) Employees Placed On Layoff From Disability Leave of Absence

If an employee reports for work from an approved disability leave of absence and is immediately placed on layoff, the day the employee reports for work shall be deemed to be the last day in active service prior to layoff for purposes of this Section. The coverages to be continued during such layoff will be those for which the employee was covered on the actual day last worked.

(e) Employees Placed On Layoff From Military Leave of Absence

If an employee reports for work from military leave of absence in accordance with the terms of such leave

and is immediately placed on layoff, the day the employee reports for work shall be deemed to be the last day worked prior to layoff but only for purposes of determining the period of continuation and eligibility for Corporation contributions for such coverages under the provisions of the Program applicable to laid-off employees.

Section 4 Continuation of Coverages During Disability Leave of Absence

(a) Health care coverages shall be continued for the duration of an approved disability leave of absence provided the employee is totally and continuously disabled.

(b) If an employee's disability leave is canceled because the period of such leave equaled the length of the employee's seniority, coverages continued while on disability leave, in accordance with subsection (a) above, shall continue to remain in force in any month in which the employee continues to receive Sickness and Accident Benefits or Extended Disability Benefits in accordance with the General Motors Life and Disability Benefits Program for Hourly Employees subsequent to such cancellation.

(c) An employee who becomes disabled and would be eligible for total and permanent disability benefits under any Corporation pension plan or retirement program then in effect but for the fact of not having the years of credited service required to be eligible for such benefits, may elect to terminate seniority with the Corporation in order to become eligible for certain benefits under other Corporation benefit plans or programs. If such an employee is age 65 or older at the time seniority is terminated, Section 6 of this Article shall apply. If such an employee is less than age 65 at the time seniority is terminated, the employee may continue coverages on a self-paid basis for a period

equal to the employee's seniority on the last day worked. Continuation of coverages under this subsection (c) is conditioned upon the submission of such periodic proof of the continuance of such disability as the Corporation may reasonably require.

(d) Notwithstanding any other provisions of this Section 4, if an employee is on permanent layoff and returns to active work with the Corporation and subsequently becomes disabled prior to the day next following the 12th pay period for which the employee has earnings from one or more Corporation plants within a calendar year, the number of months for which coverage may be continued as of the first day of the month next following the month in which the employee last works, and the number of months for which the Corporation shall contribute for any continued coverage shall be equal to the number of such months, respectively, which were available as of the last day of the month immediately preceding the date of return to work with the Corporation following the permanent layoff increased by two additional months.

(e) The Corporation shall make contributions, in accordance with Program provisions, for health care coverages continued in accordance with subsections (a) and (b) above.

(f) Employees shall contribute the full cost for health care coverages continued in accordance with subsection (c) above.

Section 5. Continuation of Coverages During Other Leaves of Absence

(a) All health care coverages for an employee on an approved leave of absence other than for disability shall be continued to the end of the month in which the employee is last in active service.

(b) An employee who desires to continue coverages beyond the period specified in subsection (a) above may do so, on a self-paid basis, under the provisions of applicable federal law, but in no event for a period of less than twelve (12) months.

(c) If an employee has not broken seniority and has continued coverages as provided in subsection (b) above during an approved leave of absence other than for disability, granted because of a clinically anticipated disability based on the natural course of the employee's diagnosed condition, and presents medical certification from the employee's personal physician, satisfactory to the Corporation, that the employee is totally disabled, health care coverages shall be provided, as of the date such certification is presented, on the same basis as set forth in Section 4.

(d) The Corporation shall make contributions for health care coverages continued in accordance with subsection (c) above, on the same basis as set forth in Section 4, as of the date certification of disability is presented.

Section 6. Continuation of Coverages Upon Retirement or Termination of Employment at Age 65 or Older

(a) The health care coverages an employee has at the time of retirement or termination of employment at age 65 or older (for any reason other than a discharge for cause) with insufficient credited service to entitle the employee to a benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan shall be continued.

(b) An employee who upon retirement is not enrolled for the coverages as provided in subsection (a) above may enroll for health care coverages to which entitled at the time of or subsequent to retirement. Such

coverage shall become effective on the first of the month following receipt of application from such retired employee.

(c) Except as provided in subsection (d), below, the Corporation shall make contributions, in accordance with Program provisions, for health care coverages continued in accordance with subsections (a) and (b) above, for:

(1) a retired employee (including any eligible dependents other than sponsored dependents), provided such retired employee is eligible for benefits under Article II of The General Motors Hourly-Rate Employees Pension Plan; and

(2) an employee (including any eligible dependents other than sponsored dependents) terminating at age 65 or older (for any reason other than a discharge for cause) with insufficient credited service to be entitled to a benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan.

(d) Corporation contributions will not be made for employees hired on or after November 18, 1996 who, at the time of retirement or termination at age 65 or older, have fewer than ten (10) years of credited service under the Corporation's Pension Plans. Such individuals may elect to continue coverage on a self-paid basis.

Section 7. Continuation of Coverages Upon Termination of Employment Other Than by Retirement or Death

(a) Except as provided in Article III, Section 4(c) above, health care coverages for an employee who quits or is discharged shall automatically cease as of the last day of the month in which the employee quits or is discharged or, if later, the date seniority is broken.

(b) Following termination of employment other than by retirement or death, the former employee shall be entitled to self-paid continuation of coverages provided under applicable federal laws, and/or may be offered a conversion contract.

Section 8. Continuation of Coverages for the Survivors of an Employee, or of a Retired Employee or Certain Former Employee

(a) If an employee dies prior to becoming eligible for health care coverages under Section 2 above, the Corporation shall permit the spouse of such employee to participate in the core coverages, on a self-pay basis, as provided in subsection (b)(1) below.

(b) If an employee or retiree dies after coverages are in effect under the Program, coverage for any dependents will cease as of the end of the month in which the employee or retiree dies. Thereafter, a surviving spouse may be eligible to continue coverages as indicated below.

For purposes of this Section 8 and of Article V, "surviving spouse" does not include the spouse of a former employee eligible for a deferred pension under Article VII, Section 2 of The General Motors Hourly-Rate Employees Pension Plan; or a spouse or former spouse receiving, or eligible to receive, a pre-retirement survivor benefit under Article II, Section 11 of the previously referenced Pension Plan.

(1) The Corporation shall make suitable arrangements for the surviving spouse of an employee to participate, on a self-pay basis, in core coverages for the first 24 months following the month in which the employee dies, provided the surviving spouse was married to the deceased employee for at least one full year immediately preceding the date of death.

(2) The Corporation shall make contributions for core coverages continued in accordance with subsection (b)(1) above, for the first twelve months following the month in which the employee dies, provided that, as of the employee's date of death, the surviving spouse's age is at least 45, or the surviving spouse's age, when added to the deceased employee's seniority, totals 55 or more. Thereafter, the surviving spouse may continue core coverages, on a self-pay basis, until the earlier of (a) remarriage, (b) the end of the month in which age 62 is attained, or (c) death.

(3) The Corporation shall make suitable arrangements for a surviving spouse

(i) of an employee or retired employee (but not the surviving spouse of a former employee eligible for a deferred pension or a surviving spouse or surviving divorced spouse eligible for a pre-retirement survivor benefit under Article II, Section 11 of The General Motors Hourly-Rate Employees Pension Plan) if such spouse is receiving or is eligible to receive a survivor benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan,

(ii) of a retired employee if, prior to death, the retired employee was receiving a benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan,

(iii) of a former employee whose employment was terminated at age 65 or older for any reason other than a discharge for cause with insufficient credited service to be entitled to a benefit under Article II of The General Motors Hourly-Rate Employees Pension Plan, or

(iv) of an employee who at the time of death was eligible to retire on an early or normal pension under Article II of The General Motors Hourly-Rate Employees Pension Plan,

to participate in health care coverages; provided, however, that dental coverage shall be available to a surviving spouse age 65 or over only for months that such surviving spouse is enrolled for Medicare Part B coverage.

(4) The Corporation shall make contributions for health care coverages continued in accordance with subsection (b)(3) above only on behalf of a surviving spouse, as provided therein and in subsection (b)(5) below (including for this purpose a surviving spouse who would receive survivor benefits under The General Motors Hourly-Rate Employees Pension Plan except for receipt of Survivor Income Benefits under the General Motors Life and Disability Benefits Program), and the eligible dependents of any such spouse; provided, however, that the contributions on behalf of a surviving spouse for the month the surviving spouse becomes age 65 and subsequent months shall be made only for months that the surviving spouse is enrolled for Medicare Part B coverage.

Notwithstanding the above, no Corporation contributions, other than contributions related to subsection (b)(5) below, shall be made under this subsection (b)(4) for the surviving spouse and eligible dependents of a deceased employee or retiree hired on or after November 18, 1996, if such employee or retiree had fewer than 10 years of credited service under the Corporation's Pension Plans.

(5) The Corporation shall make suitable arrangements for a surviving spouse of an employee whose loss of life results from accidental bodily injuries caused solely by employment with General Motors Corporation, and results solely from an accident in which the cause and result are unexpected and definite as to time and place, to participate in health care coverages; provided, however, such coverages shall terminate upon

the remarriage or death of the surviving spouse. Any Corporation contributions for coverages continued under this subsection (b)(5) shall be as provided in subsection (b)(4) above.

(6) A surviving spouse who is eligible for such coverages provided in subsections (b)(1), (b)(3) and (b)(5) above and who elects such coverages but who is not eligible for Corporation contributions as provided in subsections (b)(2) and (b)(4), must make such election no later than 60 days following the later of the end of the month in which the death of the employee, retired employee, or former employee occurs, or following the date of notice of available options by the Corporation, and shall contribute monthly the entire cost for such coverages for (i) single party, (ii) two party, or (iii) family.

(7) When contributions by surviving spouses are required, they shall be paid in cash directly to the Corporation or its agent on or before the 10th day of the month for which such coverages are to be provided or such other due date as may be established by the Corporation.

Section 9. Dependent Eligibility Provisions

(a) General Provisions

(1) As used in this Section 9, when reference is made to a person (i.e. - person A) being "dependent upon" another person (i.e. - person B), the term shall mean that person B may legally claim an exemption for person A, under Section 151 of the Internal Revenue Code, for Federal income tax purposes.

(2) The provisions of this Section 9 apply with respect to enrollment of certain dependents as secondary enrollees under primary enrollees who elect "self and spouse," "self and child," or "self and family"

enrollment, in accordance with Article III, Section 1(a)(1) of the Program and to enrollment of sponsored dependents under subsection (e) below. Unless specifically provided otherwise in the Program, such a dependent has no individual or personal right of enrollment, right to select an option within the Informed Choice Plan, or right to continue coverages under the Program.

(3) The Corporation shall have the right of determining eligibility of a dependent, consistent with the provisions of this Program.

(4) A primary enrollee claiming initial or continuing eligibility of a dependent shall furnish whatever documentation may be necessary to substantiate the claimed eligibility of a dependent and the social security number of each such dependent for whom a social security number is required to claim an exemption on the primary enrollee's Federal income tax return. Refusal or failure to furnish such documentation when requested to do so, or to furnish the social security number within a reasonable period of time, shall result in denial or withdrawal of eligibility for such dependent.

(5) Unless otherwise provided, a dependent who loses eligibility in accordance with the provisions of this Program, and who once again meets the requirements for dependent eligibility, may have coverage reinstated. The effective date of coverage in such cases will be the first day of the month following the month in which a valid enrollment form and any necessary supporting documentation is received by the Corporation.

(6) When, as a result of oversight or error, an eligible primary or secondary enrollee entitled to Corporation-paid coverage is not enrolled in a timely manner, coverage may be provided retroactive to the date of eligibility that would have been established if proper processing had occurred. However, in no event

will the retroactivity exceed twelve (12) months from the month in which the error or omission is discovered.

This retroactive enrollment provision shall not apply to surviving spouses who are not entitled to Corporation-paid coverage. Such surviving spouses electing to continue coverages on a self-paid basis must make such election as stipulated in Article III, Section 8(b)(6). This retroactive enrollment provision also shall not apply to principally supported children or sponsored dependents, as discussed in subsections (d) and (e) respectively below.

(7) The receipt of a benefit under The General Motors Hourly-Rate Employees Pension Plan as an "alternate payee" in accordance with the Retirement Equity Act of 1984 shall not serve to entitle such recipient to coverages or continuation of coverages under this Program.

(8) Provisions will be made for the enrollment and administration of coverage for an individual determined to qualify for coverage pursuant to Qualified Medical Child Support Orders (QMCSO) under the provisions of the Omnibus Budget Reconciliation Act of 1993 (OBRA '93).

(b) Spouse

(1) The spouse of an eligible and enrolled employee or retiree shall be eligible for coverage. A surviving spouse of an employee or retiree, as defined in Section 8 above, may not have or add a new spouse as a dependent.

(2) A spouse by common-law marriage shall be eligible for coverage only to the extent such relationship is recognized by the laws of the state in which the employee or retiree is enrolled, and the employee or retiree has met such requirements for documentation of

the status as may be necessary by law and required by the Corporation.

(3) The effective date of coverage for a spouse shall be the later of the effective date of coverage for the employee or retiree, or the date of marriage. For a common-law spouse, the effective date of coverage shall be the date of receipt by the Corporation of a completed enrollment form and any necessary supporting documentation.

(4) A spouse's eligibility for coverage shall cease on the earlier of:

(i) the date the primary enrollee's coverage ceases, except that, in the case of the primary enrollee's death, coverage shall cease on the last day of the month in which the primary enrollee dies, unless the spouse is eligible for coverage as a surviving spouse as set forth in Section 8 of this Article, or

(ii) the date of the final decree of divorce.

(c) Children

(1) Children of a primary enrollee, or of the spouse of an eligible and enrolled employee or retiree, shall be eligible for coverage if, as to each one, the following criteria are met.

(i) Relationship. The child must be the child of the primary enrollee, or of an employee's or retiree's spouse, by birth, or legal adoption, or legal guardianship.

Under the provisions of the Omnibus Budget Reconciliation Act of 1993 (OBRA '93), a child under the age of 18 who is in the process of being adopted by an employee or retiree will be deemed to satisfy the relationship test when the child is placed and takes up residence with the employee or retiree, pursuant to the adoption process.

(ii) Age. The child must not have reached the end of the calendar year in which the child becomes age 25, unless such child has been determined to be totally and permanently disabled prior to the end of that year. For the purposes of this subsection, "totally and permanently disabled" means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or be of long-continued or indefinite duration.

Coverage will not be reinstated for a child who first becomes totally and permanently disabled after the end of the calendar year in which age 25 is attained or who was eligible for coverage as a totally and permanently disabled child, recovers, and, after the end of such calendar year, again becomes so disabled.

(iii) Marital Status. The child must be unmarried.

(iv) Residency. The child must reside with the primary enrollee, as a member of such enrollee's household or, if not a member of the household, such enrollee must be legally responsible for the provision of health care for the child (such as children of certain divorced parents, legal guardianships, children confined in training institutions, or children in school).

(v) Dependency. The child must be dependent upon the primary enrollee, or upon the spouse of an eligible and enrolled employee or retiree. This requirement shall be waived with respect to a child (by birth, legal adoption or legal guardianship) of a divorced employee or retiree, if the divorce decree, or order of the court of proper jurisdiction, or amendment of such decree or order, stipulates that such employee or retiree is legally responsible for providing health care coverage for such child.

(2) An eligible surviving spouse may not enroll a child unless the child was eligible to be enrolled prior to the death of the employee or retiree or, in the case of a child born after the death of the employee or retiree, unless such child is the issue of the surviving spouse's marriage to the deceased employee or retiree, and was conceived prior to such employee's or retiree's death.

(3) The effective date of coverage for a child shall be the later of the effective date of coverage for the primary enrollee, or in the case of:

(i) Birth - the date of birth;

(ii) Legal Adoption - the date the adoption becomes final in accordance with applicable laws (or, for children being adopted and who meet the criteria of OBRA '93, the date the child is placed and resides with the adopting employee or retiree);

(iii) Legal Guardianship - the date guardianship becomes final in accordance with applicable laws; and

(iv) Stepchild - the date the child becomes a member of the employee's or retiree's household.

(4) A child, as defined above, shall cease to be eligible for coverage as of:

(i) the date of marriage of such child;

(ii) the last day of the month in which the child ceases to be dependent upon the primary enrollee, or upon the spouse of an eligible and enrolled employee or retiree, unless the exception in subsection (c)(1)(v) applies;

(iii) the last day of the month in which the child ceases to meet the residency criteria of subsection (c)(1)(iv) above;

(iv) the last day of the calendar year in which

the child becomes age 25, except in the case of a totally and permanently disabled child (in the event coverage for a totally and permanently disabled child is continued, eligibility for such coverage shall cease as of the last day of the month in which the child ceases to be totally and permanently disabled as defined by this Program); or

(v) the date the primary enrollee's coverage ceases, except that, in the case of the primary enrollee's death, coverage for such dependent child shall cease on the last day of the month in which the primary enrollee dies, unless such child is eligible for coverage as a dependent child of the surviving spouse of such employee or retiree.

(5) Notwithstanding any other provisions of the Program, the Program shall provide coverages in accordance with Section 4301 of the Omnibus Budget Reconciliation Act of 1993 (OBRA '93) and Section 609 of ERISA. The Corporation will maintain reasonable procedures related to the implementation of Qualified Medical Child Support Order and other aspects of the Federal regulations.

(d) Principally Supported Children

(1) Children residing with and related to a primary enrollee by blood or marriage and for whom the primary enrollee provides principal support (as defined by the Internal Revenue Code of the United States) and who were reported as dependents on the primary enrollee's most recent income tax return or who qualify in the current year for dependency tax status, may be enrolled as principally supported children.

(i) A surviving spouse may continue coverages for a principally supported child enrolled by the deceased employee or retiree prior to such employee's or retiree's death, but may not enroll a new

principally supported child unless such child was eligible to be enrolled by the deceased employee or retiree as of the date of death.

(ii) The residency waiver based on legal responsibility for the provision of health care, which applies to other children as indicated in subsection (c)(1)(iv), does not apply to principally supported children.

(iii) The other criteria of subsection (c)(1) apply to principally supported children.

(2) The effective date of coverage for a principally supported child shall be the first day of the month following the month in which a valid enrollment form is received by the Corporation.

(3) Eligibility of a principally supported child shall cease as it would for any other child in accordance with subsection (c)(4).

(e) Sponsored Dependents

(1) A primary enrollee may obtain core coverages for dependents other than those specified in subsections (b), (c), and (d) above. Such dependents will include persons who are related to the primary enrollee by blood or marriage, or if not related, who reside with the primary enrollee as members of the household.

Before becoming eligible for coverage, sponsored dependents (other than a child being adopted by the primary enrollee) who are not citizens of the United States must reside in the United States for one (1) full year, and must be legally entitled to remain in the United States indefinitely. Sponsored dependents must be dependent upon the primary enrollee for more than half of their support as defined by the Internal Revenue Code of the United States and must either qualify to be claimed as an exemption by the primary enrollee in the

current year or have been claimed as an exemption on the primary enrollee's most recent Federal income tax return. They must be designated as sponsored dependents on a valid enrollment form signed by the primary enrollee. The coverages shall be provided under the Program option elected by the primary enrollee. For the purposes of this subsection, an adopted child shall be considered to be related to a primary enrollee "by blood."

(2) Coverages provided under this subsection for a sponsored dependent enrolled at the time of an employee's or retiree's death may be continued at the option of the employee's or retiree's surviving spouse while such surviving spouse is enrolled for coverages as provided in Section 8 of this Article. A surviving spouse may not add any new sponsored dependents.

(3) The primary enrollee shall pay the full cost of coverages under this subsection, and the Corporation shall not contribute toward the cost of health care coverages for any sponsored dependents.

(4) The effective date of coverages for an eligible sponsored dependent shall be the later of the effective date of coverages for the primary enrollee, or the first day of the month following the month of receipt by the Corporation of a completed enrollment form and any supporting documentation as may be required by the Corporation. However, the effective date for a sponsored dependent previously enrolled as such, and whose coverages as a sponsored dependent were discontinued, shall be the first day of the sixth month following receipt of the application for reinstatement.

(5) Coverage for a sponsored dependent shall cease on the earlier of:

(i) the last day of the month in which the person ceases to meet the eligibility criteria set forth in (1) above,

(ii) on the last day of the month preceding the month for which the required contribution was due but not paid, or

(iii) the date the primary enrollee's coverages cease except that in the case of the primary enrollee's death, coverage for such sponsored dependent shall cease on the last day of the month in which the primary enrollee dies, unless the sponsored dependent has coverages continued in accordance with (2) above.

(f) Same-Sex Domestic Partners and Their Children

(1) Effective August 1, 2000, the eligible domestic partner of an employee may be enrolled for coverage. To qualify for enrollment, the employee and domestic partner must:

(i) Be the same sex;

(ii) Have shared a continuous committed relationship for at least six months, intend to do so indefinitely and have no such domestic partner relationship with any other person;

(iii) Reside in the same household;

(iv) Share responsibility for each other's welfare and financial obligations;

(v) Not be related by blood to a degree of kinship that would prevent marriage from being recognized under law;

(vi) Be over the age of 18, of legal age and legally competent to enter into a contract;

(vii) Reside in a state where marriage between two persons of the same sex is not recognized as valid under law; and

(viii) Not be married to any other person.

(2) If the enrollee resides in a state that has formal recognition of domestic partner relationships, such recognition is required for enrollment of the domestic partner.

(3) The employee and the domestic partner will be required to complete an affidavit attesting to meeting the eligibility requirements and provide any additional documentation necessary to support the claimed eligibility.

(4) An eligible domestic partner's child may be enrolled if the primary enrollee can claim an exemption for the child on his or her federal income tax return and the child meets all of the Program's eligibility provisions pertaining to children.

(5) Neither a domestic partner nor his or her children are eligible to be enrolled following the primary enrollee's retirement. However, coverage for an eligible domestic partner, or his or her child, enrolled prior to the primary enrollee's retirement may be continued in retirement.

(6) If the primary enrollee and his or her domestic partner terminate the relationship, an opportunity to continue coverage on a basis comparable to COBRA will be provided.

(7) In the event of the primary enrollee's death, a surviving domestic partner will be provided continuation opportunities comparable to a similarly situated surviving spouse. Under no circumstances will the privileges afforded a domestic partner exceed those of a similarly situated spouse.

Section 10. Conversion Privilege

(a) Any former enrollee who is no longer eligible to continue coverages under the Program, may be offered an opportunity to obtain other available coverage, on a

self-paid basis, from the carrier with whom enrolled at the time eligibility terminated.

(b) A former enrollee wishing to exercise this privilege shall make application to the carrier within thirty (30) days of termination of eligibility under this Program.

Section 11. Consolidated Omnibus Budget Reconciliation Act (COBRA) Continuation

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA, or the Act), as amended, provides continuation rights to certain employees or dependents who would ordinarily lose eligibility for coverage under the Program.

If amendments to the Act or the applicable regulations preclude administration in accordance with the following provisions, the Corporation will make any changes necessary to comply with COBRA.

(a) For purposes of COBRA, this Program is considered to be a single plan offering "core coverages" (hospital, surgical, medical, prescription drug, hearing aid, mental health and substance abuse) and "non-core coverages" (dental and vision), regardless of the carrier option (Traditional, Preferred Provider Organization, Health Maintenance Organization, alternative dental plan, etc.) chosen by the primary enrollee, or of the entity chosen by the Corporation to administer such coverages on the Corporation's behalf.

(b) The Corporation is responsible for providing notifications, as required under COBRA, to "qualified beneficiaries," as defined therein. The Corporation may delegate the administrative functions associated with COBRA.

(c) To the extent the Corporation makes alternative

continuation privileges available under Article III of the Program that do not satisfy all the requirements for "COBRA continuation coverage," enrollees shall have the opportunity to elect either the COBRA continuation coverage or continuation under the Program. An election of COBRA continuation coverage will terminate the enrollee's eligibility for Program continuation.

(d) To the extent the Corporation makes alternative continuation privileges available under Article III of the Program that do satisfy all of the requirements for "COBRA continuation coverage," such alternative continuation privileges will be integrated with the COBRA continuation coverage.

(e) In the event a primary enrollee is entitled to elect between COBRA continuation coverage and alternative continuation provided under the Program, coverage will be continued beyond the point coverage as an active employee or dependent of an active employee ceases as if the primary enrollee elected alternative continuation under the Program. If the primary enrollee subsequently elects COBRA continuation during the election period and pays any required contribution, coverages will be adjusted retroactively to provide the COBRA continuation.

(f) Unless advised otherwise by a COBRA "qualified beneficiary," an election of alternative continuation by the primary enrollee shall be presumed to be an election for all other enrollees and/or qualified beneficiaries covered under such primary enrollee's coverage.

ARTICLE IV

DEFINITIONS

Unless otherwise indicated, as used in this Program:

1. "active service" or "in active service" - means receiving pay for regular hours of work scheduled by the Corporation, or otherwise scheduled to work but absent due to either,

(a) vacation time off authorized in advance,

(b) a specified holiday, or

(c) bereavement, jury duty, or short-term military leave of absence under circumstances where the absence is authorized in advance and the employee is entitled to receive full or partial compensation from the Corporation for the day(s) of absence.

An employee is not in active service if the employee is absent every scheduled work day during a month, for reasons other than those specified above, whether or not such absence is excused.

An employee is not in active service in any full month in which such employee is not scheduled to work due to layoff or any leave of absence (other than short-term military leave referred to in subsection (c) above), regardless of whether the employee may be entitled to some compensation for any day(s) during such month.

2. *"benefit"* - means a payment made, in accordance with the Program provisions, to an enrollee, or to a provider on behalf of an enrollee.

3. *"carrier"* - means any entity by which Program coverages are administered or benefits are paid. The term includes, but is not limited to, the following types of entities:

(a) an insurance company

(b) a prepayment agency including

(1) a Blue Cross or Blue Shield Plan

(2) a Delta Dental Plan

(3) a group practice plan or health maintenance organization

(4) a preferred provider organization

(c) General Motors Corporation

(d) a non-governmental administrative service.

4. *"cost of coverages"* - means the Corporation's reasonable estimate of the monthly amount required to provide coverages for an individual or group of individuals, established on an actuarial basis taking into account such factors as type of coverages (one-party, two-party, family, or sponsored dependent), form of delivery (Traditional, PPO, HMO, etc.), scope of coverages (what services are covered), regional cost differences, administrative costs, etc. It includes both the Corporation contribution and any primary enrollee contribution(s), as required under the Program. The cost is accrued and reported on a monthly basis.

In the case of coverages delivered through certain pre-payment agencies, such as a health maintenance organization or an alternative dental plan, it means the total monthly premium required to provide such coverages.

5. *"coverage"* - means a specified set of health care services or expenses (i.e., "covered services or expenses") which may be incurred by an enrollee, and for which benefits may be paid under the Program provisions. The categories of coverage include "core" coverages (hospital, surgical, medical, hearing aid,

prescription drug, mental health and substance abuse) and "non-core" coverages (dental and vision).

Not every health care expense incurred by an enrollee falls within the Program coverages.

6. *"covered service"* - means a service that is included within the range of services identified in the Program, and that meets all Program requirements for payment of benefits. A service within the range of those identified in the Program (e.g., a diagnostic radiology service) but which does not meet all of the specifications for a benefit payment (e.g., if it is an experimental service or if it is not medically necessary) is considered a non-covered service.

7. *"effective date"* - means the date on which a given coverage begins for an enrollee, as determined by the employer, consistent with the Program provisions.

8. *"employee"* -

(a) means any person regularly employed in the United States by the Corporation or by a wholly-owned or substantially wholly-owned domestic subsidiary thereof, on an hourly-rate basis, herein referred to as hourly persons or hourly employees, including:

(1) hourly persons employed on a full-time basis;

(2) hourly persons employed on incentive pay plans;

(3) students from educational institutions who are enrolled in cooperative training courses on hourly rate;

(4) part-time hourly employees who, on a regular and continuing basis, perform jobs having definitely established working hours, but the complete

performance of which requires fewer hours of work than the regular work week, provided the services of such employees are normally available for at least half of the employing unit's regular work week; and

(b) The term "employee" shall not include:

(1) employees represented by a labor organization which has not signed an agreement making the Program applicable to such employees;

(2) employees of any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of the Corporation acquired or formed by the Corporation on or after January 1, 1984 unless specifically included by the General Motors Corporation Board of Directors;

(3) "leased employees" as defined under Section 414(n) of the Internal Revenue Code; or

(4) contract employees, bundled services employees, consultants, or other similarly situated individuals, or individuals who have represented themselves to be independent contractors.

The following classes of individuals are ineligible to participate in this Program, regardless of any other Program terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation:

(i) Any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled services" employees;

(ii) Any individual who has signed an independent contractor agreement, consulting

agreement, or other similar personal service contract with the Corporation;

(iii) Any individual who both (a) is not included in any represented bargaining unit and (b) the Corporation classifies as an independent contractor, consultant contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded from the payroll, and regardless of whether that exclusion is correct.

(c) To the extent a labor organization has signed an agreement with the Corporation, and under such agreement certain employees represented by such labor organization are excluded from the Program in whole or in part, such represented employees shall be regarded as employees for the purposes of this Program only to the extent required to comply with such agreement.

9. *"employer"* - means General Motors Corporation.

10. *"enrollee"* - means a person who is eligible for coverages under the Program and who is enrolled for such coverages. Depending upon the context, an enrollee may be a "primary enrollee" or a "secondary enrollee". The determination of eligibility in a manner consistent with the Program provisions is the responsibility of the employer.

"primary enrollee" - means employees, retirees or surviving spouses eligible in their own right.

"secondary enrollee" - means a spouse, child or

sponsored dependent entitled to coverage on account of a primary enrollee.

11. *"layoff"* - means any layoff resulting from a reduction in force or temporary layoff, or from the discontinuance of a plant or operation, or a layoff occurring or continuing because the employee was unable to do the work offered by the Corporation although able to perform other work in the plant to which the employee would have been entitled if such employee would have had sufficient seniority.

12. *"Medicare"* - means the Federal program established by Title XVIII of Public Law 89-97, as amended, which provides health insurance for the aged and disabled. It includes Part A (Hospital Insurance Benefit for the Aged and Disabled) and Part B (Supplementary Medical Insurance Benefit for the Aged and Disabled).

13. *"Plan"* - means the "Informed Choice Plan", or that portion of the Program providing hospital, surgical, medical, prescription drug, hearing aid, mental health and substance abuse coverages.

14. *"Plan Sponsor"* - means General Motors Corporation in its capacity of sponsoring the Program by engaging in activities including, but not limited to, establishment, maintenance, modification, and funding of the Program.

15. *"Plans Workforce"* - means employees, contract workers, and/or consultants performing plan administration functions employed or engaged by the Health Care Initiatives Staff; the Health Care Finance Staff; Employee Benefits National Benefit Center Health Care Management; the Chief Privacy Officer; members of the Employee Benefit Plans Committee; assigned members of the GM Audit Staff while performing Program audits; and assigned members of

the Personnel and Labor Relations Practice Area of the GM Legal Staff who advise the Program.

16. *"Protected Health Information"* - as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), means information created or received by a health plan, health care provider, or health care clearinghouse that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual. In addition, the information either identifies the individual, or there is a reasonable basis to believe the information can be used to identify the individual.

17. *"provider"* - means a person or entity which furnishes covered services or supplies to an enrollee.

18. *"seniority"* - means whichever of the following periods is applicable to the employee.

(a) If the employee is represented under a collective bargaining agreement, seniority for the purposes of this Program shall be the same as seniority is defined in such Agreement. However, if the employee has, or has had, seniority in more than one bargaining unit under a collective bargaining agreement, "seniority" shall mean the longest seniority held in any bargaining unit. If an employee has seniority in one bargaining unit (or is in active service and subsequently acquires seniority in such bargaining unit) at the time the employee's seniority is broken in a second bargaining unit

(1) under the time-for-time provisions of the collective bargaining agreement,

(2) because of a refusal of recall to such second bargaining unit,

(3) because of a quit at such second bargaining unit to respond to recall at another bargaining unit, or

(4) because of a quit at such second bargaining unit to accept placement as a journeyman/woman in another bargaining unit where the employee completed apprentice training, the seniority lost at such second bargaining unit shall be included in the "longest seniority."

(b) If the employee is non-represented, seniority for the purposes of this Program shall be unbroken service as defined by rules established by the Corporation.

(c) Solely for the purposes of this Program, if an employee retired under the terms of The General Motors Hourly-Rate Employees Pension Plan is rehired, but does not have seniority reinstated, the employee shall be deemed to have seniority while so employed.

19. *"Summary Health Information"* - means information that may be individually identifiable health information, and that summarizes the claims history, claims expenses, or type of claims experienced by individuals for whom a plan sponsor has provided health benefits under a group health plan, and which has been de-identified, except that the geographic information need only be aggregated to the level of a five-digit zip code, if such aggregation does not identify an individual.

ARTICLE V

SPECIAL BENEFIT

Section 1. Eligibility for the Special Benefit

In order to be eligible for a Special Benefit under this Article V, an individual must be:

(a) an employee eligible for Extended Disability Benefits under the General Motors Life and Disability Benefits Program for Hourly Employees, or

(b) a retired employee who retired on or after October 1, 1979, or

(c) a surviving spouse (but not the surviving spouse of a former employee eligible for a deferred pension, or a surviving spouse or surviving divorced spouse eligible for a pre-retirement survivor benefit under Article II, Section 11 of The General Motors Hourly-Rate Employees Pension Plan);

and must be:

(d) age 65 or older, or

(e) if under age 65, enrolled in Medicare Part B;

and must be:

(f) receiving a monthly pension benefit (which commenced on or after October 1, 1979) under Article II of The General Motors Hourly-Rate Employees Pension Plan, or

(g) receiving a monthly Extended Disability Benefit under the General Motors Life and Disability Benefits Program for Hourly Employees (or eligible for such a benefit but not receiving it due to reductions under Article II, Section 7(b) of that Program).

Section 2. Amount of the Special Benefit

(a) Subject to subsection 2(b), below, an individual identified in Section 1 above, shall be eligible to receive a monthly Special Benefit equal to the lesser of the generally applicable Medicare Part B premium in effect as of the dates below, or:

(1) $58.70, for months commencing on or after January 1, 2003;

(2) $76.20, for months commencing on or after January 1, 2004.

(b) The Special Benefit payable to an individual who was not enrolled in Medicare Part B as of October 1, 1990, but who was receiving a Special Benefit under the 1987 Program, is limited to $28.00 per month. Such an individual will become entitled to the schedule in subsection 2(a) above, upon proof of enrollment in Medicare Part B. Thereafter, however, continued receipt will be contingent on maintenance of Medicare Part B enrollment.

Section 3. Payment of the Special Benefit

(a) No Special Benefit shall be payable for months prior to March 1, 1974. Thereafter, payment shall commence on the earlier of:

(1) the first day of the month following the month during which age 65 is attained (subject to subsection 3(e) below), or

(2) the first day of the month in which an otherwise eligible individual under age 65 becomes enrolled for Medicare Part B.

Individuals under age 65 must make application to the Corporation on a form provided for this purpose.

(b) Payment of the Special Benefit will be made concurrent with a monthly pension or Extended Disability Benefit payment and for the same period. In the event an eligible employee receives no monthly Extended Disability Benefit payment because of reductions referred to in Section 1(g) above, a Special Benefit will be paid for that month.

(c) Not more than one Special Benefit payment shall be made to any individual for any one month, under this or any other General Motors benefit Plan or Program.

(d) No Special Benefit payment shall be made to any individual under age 65 for any month in which such individual is not enrolled for Medicare Part B coverage.

(e) For an individual enrolled in Medicare Part B as of October 1, 1990, or who first becomes eligible for Medicare Part B on or after October 1, 1990, receipt of a Special Benefit on and after January 1, 1991 is contingent upon maintenance of Medicare Part B enrollment.

APPENDIX A

HOSPITAL, SURGICAL, MEDICAL, PRESCRIPTION DRUG AND HEARING AID COVERAGES (THE INFORMED CHOICE PLAN)

I. Definitions

As used herein:

A. *"accidental injury"* means a bodily injury such as a strain, sprain, abrasion, contusion or other condition which occurs as the result of a traumatic incident such as, but not limited to: ingestion of poison; overdose of medication, whether accidental or intentional; allergic reaction resulting from trauma, such as bee stings or insect bites; inhalation of smoke, carbon monoxide, or fumes; burns, frostbite, sunburn, and sunstroke; and attempted suicide.

B. *"ambulance services"* means medically necessary ground transportation and life support services furnished within the Program provisions to sick, injured or incapacitated patients by a licensed ambulance provider meeting Program standards, utilizing ambulance vehicles and personnel recognized as qualified to perform such services at the time and place where rendered.

C. *"benefit period"* means a period of time during which an enrollee is entitled to receive certain covered services which are subject to Program maximums. These include, but are not limited to, inpatient hospital services (with special provisions for pulmonary tuberculosis treatment under this Appendix, and mental health and substance abuse treatment under Appendix B), admissions to skilled nursing facilities (whether under this Appendix or Appendix B), treatment under psychiatric and substance abuse day care or night care

programs, and substance abuse halfway house programs under Appendix B, hospice care and utilization of home health care services (see App. A, II.B. and App. B, II.B.).

D. *"covered expenses"* means the reasonable and customary, preestablished, or contracted charges incurred for covered materials and services, as described in Section III of this Appendix and, provided or rendered to or for an enrollee for treatment of illness or injury, and performed by a provider or prescribed by a physician in accordance with the provisions of this Program. Such covered expenses fall in the following areas of coverage or categories of expenses:

1. hospital expenses;

2. skilled nursing facility expenses;

3. physical, speech and functional occupational therapy expenses;

4. home health care expenses;

5. medical, surgical expenses;

6. ambulance service expenses;

7. prescription drug expenses;

8. hearing aid expenses;

9. durable medical equipment and prosthetic or orthotic appliance expenses; and

10. hospice expenses.

E. *"custodial"*, *"domiciliary"* or *"maintenance"* care or services means the type of care or service which, even if ordered by a physician, is primarily for the purpose of meeting personal needs of the patient or maintaining a level of function (as opposed to specific medical, surgical, or psychiatric care or services

designed to reduce the disability to the extent necessary to enable the patient to live without such medical care or services). Custodial, domiciliary or maintenance care can be provided by persons without special skill or training. It may include, but is not limited to, help in getting in and out of bed, walking, bathing, dressing, eating and taking medication, as well as ostomy care, hygiene or incontinence care and checking of routine vital signs.

F. *"drugs, biologicals, and solutions"* means medicinal agents which are approved for commercial distribution by the Federal Food and Drug Administration and are legally prescribed for the treatment of an illness or injury.

G. *"durable medical equipment"* means equipment which is able to withstand repeated use, is primarily and customarily used to serve a medical purpose, and is not generally useful to an enrollee in the absence of illness or injury.

H. *"freestanding outpatient physical therapy facility"* means a facility, separate from a hospital, which provides outpatient physical therapy services. Such facilities must meet Program standards and be approved by the local carrier.

I. *"home health care agency"* means a centrally administered agency providing physician-directed nursing and other paramedical services to patients at home. A home health care agency must meet all Program standards and be approved by the local carrier.

J. *"hospice"* means a program of medical and non-medical services provided for terminally-ill enrollees and their families through agencies which administer and coordinate the services. A hospice program must meet Program standards and be approved by the local carrier.

K. *"hospital"* means a facility which, in return for compensation from its patients, provides diagnostic and therapeutic services on a continuous inpatient basis for the surgical, medical, or psychiatric diagnosis, treatment, and care of injured or acutely sick persons.

These services are provided by, or under the supervision of, a professional staff of licensed physicians and surgeons. A hospital continuously provides 24 hour-a-day nursing service by registered nurses. A rehabilitation institution shall be considered to be a hospital if the institution is approved as such under this Program. A hospital must meet all applicable local and state licensure and certification requirements and be accredited as a hospital by state or national medical or hospital authorities or associations.

A hospital is not, other than incidentally, a place for custodial, convalescent, pulmonary tuberculosis, rest or domiciliary care; an institution for exceptional children; an institution to which enrollees may be remanded by the judicial system; an institution for the treatment of the aged or substance abusers; or a skilled nursing facility or other nursing care facility. It does not include a health resort, rest home, nursing home, convalescent home, or similar institution.

L. *"medical emergency"* means a permanent health-threatening or disabling condition, other than an accidental injury, which requires immediate medical attention and treatment.

The condition must be of such a nature that severe symptoms occur suddenly and unexpectedly and that failure to render treatment immediately could result in significant impairment of bodily function, cause permanent damage to the enrollee's health, or place such enrollee's life in jeopardy. The enrollee's signs and symptoms verified by the treating physician at the time of treatment, and not the final diagnosis, must confirm

the existence of a threat to the enrollee's life or bodily functions.

M. *"orthotic appliance"* means an external device intended to correct any defect of form or function of the human body.

N. *"participating"* means any hospital, skilled nursing facility, outpatient physical therapy facility, home health care agency, physician, or other provider of health care services which, at the time an enrollee receives services included under this Program, has entered into a contract or agreement with a carrier to provide those health care services in accordance with this Program. Such contract or agreement shall include a provision that the provider accepts the payment as determined by the carrier, as payment in full (unless otherwise provided). A physician who is not a participating physician may participate for individual claims.

O. *"physician"* means a doctor of medicine (M.D.) or osteopathy (D.O.) legally qualified and licensed to practice medicine or osteopathic medicine and/or perform surgery at the time and place services are rendered or performed. As used herein, physician shall also include the following categories of limited-practice professionals who are legally qualified and licensed to practice their specialties at the time and place services are performed, and who render specified services which they are legally qualified to perform.

1. *"dentist"* means a doctor of dental surgery (D.D.S.) or a doctor of medical dentistry (D.M.D.) whose scope of practice is the diagnosis, prevention and treatment of diseases of the teeth and related structures. Such services are provided for under the dental coverage (see App. C of the Program). However, certain services of a dentist may be covered under this Appendix when provided in accordance with App. A, III.E.3.a.(2), or

when performed in response to a medical diagnosis and when Program standards are met. A dentist also may prescribe medications which may be covered under the prescription drug coverage (see App. A, III.G.).

2. *"podiatrist"* means a doctor of podiatric medicine (D.P.M.) or a doctor of surgical chiropody (D.S.C.) whose scope of practice is the diagnosis, prevention, and treatment of ailments of the feet. Services of podiatrists, relating to the feet, may be covered under the surgical and medical coverages (see App. A, III.E.). A podiatrist also may prescribe medications which may be covered under the prescription drug coverage (see App. A, III.G.).

3. *"chiropractor"* means a doctor of chiropractic (D.C.) whose scope of practice is the diagnosis and treatment of subluxations or misalignments of the spinal column and related bones and tissues which produce nerve interference. Services of chiropractors which may be covered under this Appendix are limited to diagnostic radiological services (see App. A, III.E.3.i.) and emergency first-aid (see App. A, III. E.3.h.), both pertaining to the spine and related bones and tissues.

Under this Program, a chiropractor may not prescribe medications, perform invasive procedures or incisive surgical procedures, provide outpatient physical therapy services, nor perform physical examinations not related to the spine and related bones and tissues.

P. *"private room"* means a room containing one bed.

Q. *"Program standards"* means criteria established by the Control Plan (and approved by the Corporation) for approval of providers or for benefit payment. At a minimum, providers must meet applicable accreditation, licensing and credentialing requirements and be qualified to render services or furnish materials under

this Program. In the case of provider approval, standards also may include, but are not necessarily limited to, such matters as approval for Medicare reimbursement, acceptance of Medicare assignment and/or Program reimbursement as payment in full. In the case of benefit payment, standards may include, but are not necessarily limited to, such matters as the service or item being approved by Medicare and/or the service or item being delivered or prescribed in response to particular diagnoses. Local carriers shall be responsible for ensuring that local providers conform to such standards, or for obtaining approval of exceptions through the Control Plan.

R. *"prosthetic appliance"* means an artificial device which replaces an absent part of the body, or which aids the performance of a natural function of the body without replacing a missing part.

S. *"provider"* means a physician, hospital, or other approved facility, agency or individual who is qualified to render service(s) or furnish materials under this Program.

T. *"reasonable and customary charge"* as it relates to covered expenses, unless otherwise specified, means the actual amount a provider charges for such services rendered or material furnished, but only to the extent that the amount is reasonable, as determined by the carrier, taking into consideration, among other factors, the following:

1. the usual amount which the individual provider most frequently charges the majority of patients or customers for a similar service rendered or materials furnished;

2. the prevailing range of charges made in the same geographic area by providers with similar training and experience for the service rendered or materials furnished; and

3. unusual circumstances or complications requiring additional time, skill, and experience in connection with the particular service rendered or materials furnished.

The carrier is responsible for determining the appropriate reasonable and customary charge for a given provider and service or material, and such determination shall be conclusive.

As used in this Program, reasonable and customary also refers to any of the forms of payment used by preferred provider organizations or other carriers with contracted providers.

U. *"semiprivate room"* means a room containing two beds.

V. *"service"* means any care or procedure, as listed and limited herein, which is provided for diagnosis or treatment of disease, injury or pregnancy and which is based on valid medical need according to accepted standards of medical practice. Certain types of care or procedures may be excluded as covered services under this Program.

W. *"skilled nursing facility"* means a facility providing convalescent and long-term illness care with continuous nursing and other health care services by, or under the supervision of, a physician and a registered nurse. The facility may be operated either independently or as part of an accredited general hospital. A skilled nursing facility must meet Program standards and be approved by the local carrier.

X. *"special care unit"* means a designated unit within a hospital (such as cardiac care, burn care, or intensive care unit) that concentrates all necessary types of equipment together with skilled nursing and supportive services needed for care of critically ill patients and is recognized as such by the carrier.

II. Terms and Conditions

A. Payment of Benefits

1. Benefits will be payable, subject to the provisions of this Program, when an enrollee incurs a covered expense.

2. Under the Program, benefits for certain covered services are payable only if "approved" by the carrier or preferred provider organization and/or if furnished by approved providers, when applicable. If such approval is not obtained, or if such providers are not utilized, any benefits for such services may be reduced or eliminated. Examples include, but are not limited to, Traditional option enrollees' failure to comply with the predetermination requirements for inpatient admissions, Preferred Provider Organization option enrollees' failure to utilize panel providers, or Health Maintenance Organization option enrollees' failure to utilize health maintenance organization providers as set forth in Article II, Section 4.

3. Under the Preferred Provider Organization option, benefits may be payable in full (up to the preferred provider organization's reasonable and customary level) for services rendered by non-panel providers if such services are rendered on referral from a preferred provider organization panel physician, subject to conditions below.

a. The referring physician is responsible for communicating the referral to the carrier and monitoring the progress of the patient. Any subsequent referrals must be made by a panel physician.

b. The carrier is responsible for monitoring referral frequency and patterns, and for ensuring that additional costs are not incurred by the Program or the enrollee.

c. Referral does not apply to well baby care (see App. A, III.E.3.o.) and immunizations (see App. A, III.E.3.p.) which are not covered services if rendered by a non-panel provider.

d. A service which would not otherwise be a covered service does not become a covered service by virtue of a referral.

B. Benefit Period Provisions

1. An enrollee is entitled to a maximum of three hundred sixty-five (365) days of covered inpatient hospital services for each continuous period of hospital confinement or for successive periods of confinement separated by less than sixty (60) days; however,

a. The inpatient treatment of pulmonary tuberculosis is limited to forty-five (45) days of the benefit period.

b. The inpatient treatment of mental disorders and substance abuse (as set forth in Appendix B) is limited to forty-five (45) days of the benefit period.

c. An enrollee is entitled to two (2) days of inpatient skilled nursing facility care for each remaining day of the inpatient hospital benefit period, up to a maximum of seven hundred thirty (730) days for each continuous period of confinement or for successive periods of confinement separated by less than sixty (60) days.

d. An enrollee is entitled to three (3) home health care visits for each remaining day of the inpatient hospital benefit period, as long as the enrollee is medically eligible. Each visit by a member of the home health care team, each approved outpatient visit to a hospital or skilled nursing facility, and each home health aide visit is considered the equivalent of one (1) home health care visit. A home health care visit will be

counted even though the enrollee is not seen if the visit is made in good faith (i.e., the agency is not notified prior to the visit that the patient is not available). IV infusion therapy visits shall not be counted as home health care visits.

e. An enrollee is entitled to two (2) days of hospice care for each remaining day of the inpatient hospital benefit period, up to a lifetime maximum of 210 days.

2. The relationships between the various benefit period maximums are set forth below:

a. Each day of inpatient hospital care reduces by two (2) the number of days of care available for skilled nursing facility services. Days of care in a skilled nursing facility do not reduce the number of days of inpatient hospital care.

b. Each day of inpatient hospital care reduces by three (3) the number of visits available for home health care services. The number of home health care visits used will not reduce the number of inpatient hospital or skilled nursing facility days to which the enrollee is otherwise entitled.

3. Benefit periods for physician services and medical care related to hospital inpatient admissions and skilled nursing facility admissions are related to or may be determined concurrent with the benefit periods for facility services as noted below.

a. For conditions other than pulmonary tuberculosis, an enrollee is entitled to coverage for medical care for the duration of the hospitalization.

b. Coverage of medical care for pulmonary tuberculosis is limited to forty-five (45) days for the treatment of tuberculosis for each continuous period of confinement or for confinements separated by less than sixty (60) days.

c. For conditions other than tuberculosis, an enrollee is entitled to a benefit period of seven hundred thirty (730) days of medical care in a skilled nursing facility for each continuous period of confinement or for successive periods of confinement separated by less than sixty (60) days. No coverage is available for medical care in a skilled nursing facility for the treatment of tuberculosis.

(1) Coverage for medical care in a skilled nursing facility is limited to a maximum of two (2) visits per week.

(2) If the enrollee is admitted to a skilled nursing facility within sixty (60) days of discharge from a hospital, each day of hospital inpatient medical care reduces by two (2) the number of days of medical care available in a skilled nursing facility.

4. Benefit periods may be renewed, subject to the provisions below:

a. The benefit periods specified in subsection B.1. are within the general benefit period for inpatient hospital services. Consequently, to be eligible for further benefits under each of the subsections, there must be a separation of sixty (60) days between periods of hospitalization for any reason. For example, if an enrollee's initial inpatient admission for mental health treatment exhausts the forty-five (45) day maximum and is separated by sixty (60) days from a second admission for mental health treatment, but the person had been hospitalized for other reasons during the intervening period, the second mental health admission would not be covered.

b. A new benefit period begins only when the enrollee has been out of care (as described below) for a continuous period of sixty (60) days. Accordingly, there must be a lapse of at least sixty (60) consecutive days

between the date of the enrollee's last discharge from any hospital, skilled nursing facility, residential substance abuse treatment facility, or any other facility to which the sixty (60) day benefit renewal period applies and the date of the next admission, irrespective of the reason for the last admission and irrespective of whether or not benefits were paid as a consequence of such admission. Further, if subsequent to such discharge, the enrollee is a patient in a psychiatric or substance abuse day or night care program, a substance abuse halfway house, a hospice program or is receiving home health care visits, the 60-day renewal period is broken, whether or not benefits were paid as a consequence of receipt of such services.

C. Access to Information

In order to ensure proper administration and to facilitate the ongoing evaluation of this Program:

1. Enrollees shall authorize providers of services to furnish to the carrier(s), upon request, information relating to services to which the enrollee is, or may be, entitled under this Program.

Providers of services shall be authorized to permit the carrier(s) to examine their records with respect to the services and to submit reports of the services in the detail requested by the carrier(s). All information related to treatment of the enrollee will remain confidential except for the purpose of determining rights and liabilities arising under this Program.

2. A provider claiming payment from the carrier must furnish a report to the carrier, in the prescribed form, within one hundred eighty (180) days from the date of the last continuous service listed on the report as having been rendered to the enrollee. The provider must certify upon the report that the provider is entitled to payment under this Program and that the service was

personally rendered or rendered during the provider's presence and under the provider's supervision. An enrollee's request for service is authorization to the provider to make the report.

3. An enrollee seeking payment from a carrier must furnish, or cause the provider to furnish, a report to the carrier in the form prescribed by the carrier. By filing the report the enrollee consents that the carrier may have access to the data disclosed by the records and files of the provider and of the hospital or other facility named in this report.

D. Identification Cards

1. Enrollees shall be furnished identification cards by the carrier(s). Such cards shall contain toll-free telephone numbers for obtaining predetermination information or other required approvals of services.

2. The identification card must be presented when service is requested.

3. An enrollee shall not use an identification card to obtain benefits to which such enrollee is not entitled, nor shall the enrollee permit another person to obtain benefits to which such person is not entitled.

E. Medicare

1. Under current Federal laws, certain enrollees otherwise eligible to enroll for benefits under Medicare, may defer enrollment in Medicare without penalty. If such enrollees are not eligible for coverage under any other employer plan or program and elect to enroll in Medicare, the Program remains the primary source of benefits, with Medicare supplementing Program coverage. For purposes of subsections 2 through 4 below, Medicare enrollment of such enrollees shall be disregarded.

2. Enrollees who are eligible to enroll for benefits under Part A of Medicare, whether or not they are enrolled, will have all coverage available under this Program reduced to the extent payment or benefit is available (or would have been available had the eligible enrollee been enrolled for Medicare benefits) under Part A of Medicare. The hospital coverage under this Program will be reduced during the additional Medicare sixty (60) day lifetime maximum for inpatient hospital benefits, to the extent the benefits are available under Medicare whether or not the member utilizes the lifetime reserve.

3. Enrollees who are enrolled for benefits under Part B of Medicare will have all coverage available under this Program reduced to the extent that payment or benefit is available under Part B of Medicare.

4. All benefits furnished under Medicare Part A, or which would have been furnished had the enrollee been enrolled for Medicare Part A benefits, and all benefits furnished under Medicare Part B will be charged against the maximum benefit periods and maximum benefit amounts under this Program. Reduction of coverage under this provision or charging of Medicare benefits against the maximum benefit periods and maximum benefit amounts of this Program will be limited to the benefits provided by Medicare which would have been provided under this Program in the absence of this subsection.

F. Medical Necessity

1. All covered services under the Program are subject to a requirement of medical necessity (see App. A, IV.H.).

2. The Control Plan will establish criteria, where necessary, to define medical necessity and accepted uniform standards of medical practice for the purposes

of determining covered services. The Control Plan shall propose such criteria to the Corporation, and when such criteria are approved, shall communicate them to the local carriers. Local carriers shall communicate the criteria to providers.

3. Local carriers, or others, requesting establishment, revision or withdrawal of such criteria shall submit such requests to the Control Plan for consideration. The Control Plan shall advise the Corporation of all such requests and recommended dispositions.

G. Legal Action by an Enrollee

No action by an enrollee for entitlement to benefits under this Program may be brought more than two (2) years after such claim has accrued; provided, however, no other actions may be brought against the Program at all more than six (6) months after such claim has accrued.

H. Changes in the Program

1. Any rate of payment by the enrollee and any other terms and conditions of the Program may be changed at any time by the Corporation. Reasonable notice of such changes will be furnished to enrollees and/or affected parties as necessary.

2. From time to time additional coverages may be provided or existing coverages withdrawn by the Corporation. In either event adequate notice shall be given to providers and/or enrollees, as appropriate, by the Corporation and/or the carrier(s).

3. Neither the Control Plan nor a local carrier may make a substantive change to the coverages or benefits without prior approval of the Corporation. This includes amending administrative practices, policies or interpretations that in the judgment of the Corporation would materially affect the benefits of the Program.

I. Approval of New Services, Technologies and Provider Classes

1. A procedure has been established and will be followed for implementing the addition of new or revised services or items to this Program.

2. A proposal for the inclusion in the Program of a new or revised service or item may be submitted to the Control Plan by a carrier, a physician or physician group, a professional organization, a provider or provider group, the Corporation or a union representing employees to whom the Program applies.

3. The Control Plan shall review such proposal and make a written recommendation to the Corporation regarding whether or not the service or item should be added to the Program. Such recommendation shall include, but not be limited to, the following:

a. Any quality of care concerns and proposed steps to ensure quality delivery of the service if approved;

b. Any access concerns and proposed actions to resolve such concerns;

c. Any concerns over appropriate utilization and proposed actions to resolve such concerns;

d. Any service(s) being replaced by the new service, and a plan for discontinuation of coverage for the replaced service;

e. Positive or negative impact on Program costs; and

f. Plan options for which the service or item is recommended.

4. The Corporation shall review and approve or disapprove the Control Plan recommendations. If

approval is given and the service or item is added, an effective date will be established. Only services or items provided on or after the effective date will be covered.

5. The Control Plan will advise local carriers of any approved additions to the Program, the effective dates, and/or limitations or special provisions that apply. The local carriers will advise providers.

III. Description of Coverages

A. Hospital Coverage

1. Conditions of Benefit Payments

An enrollee is eligible for benefits for covered expenses incurred in a hospital only if the following conditions have been met:

a. The admission and length of stay have

(1) predetermination approval for non-emergency admissions and within 24 hours of emergency admissions from the carrier for enrollees in the Traditional option, as set forth in Article II, Section 4, or

(2) approvals required for enrollees in the Preferred Provider Organization option, as set forth in Article II, Section 4.

b. Services are received on or after the enrollee's effective date of coverage in the Program.

c. For inpatient hospital services, the enrollee is admitted in accordance with the Program provisions, as administered by the carrier, and the hospital's rules and regulations governing admission as a bed patient, and is under the constant care and treatment of a physician during the period of admission.

d. For inpatient hospital services, the enrollee has benefit days available under the hospital benefit period as set forth in Section II.B. above.

2. Inpatient Hospital Coverage

Upon admission to a participating hospital, or to any hospital for carriers without participating arrangements, an enrollee is entitled to receive the following services when prescribed by the physician in charge of the case, approved by the carrier or preferred provider organization (see App. A, II.A.), and provided and billed by the hospital:

a. Semiprivate room, general nursing services, meals, and special diets. Private room coverage will be provided only when such accommodations are medically necessary as set forth in the Informed Choice Plan Administration Manual published by the Control Plan;

b. Use of operating rooms, other surgical treatment rooms, and delivery room;

c. Anesthesia services, anesthesia supplies, gases, and use of equipment;

d. Laboratory and pathology examinations which are under the direction of a pathologist employed by the hospital;

e. Chemotherapy for the treatment of malignant diseases by chemical antineoplastic agents except when treatment is research or experimental in nature;

f. Physical, speech, and functional occupational therapy (see App. A, III.C.);

g. Oxygen and other gas therapy;

h. Drugs, biologicals, and solutions used while the enrollee is in the hospital;

i. Gauze, cotton, fabrics, solutions, plaster, splints, and other materials used in dressings and casts;

j. Radioactive isotope studies and use of radium when the radium is owned or rented by the hospital;

k. Maternity care and routine nursery care of the newborn during the hospital stay of the mother for maternity care, when the mother is an enrollee. Coverage will comply with the Newborns' and Mothers' Health Protection Act of 1996;

l. Hospital service in a special care unit;

m. Blood services, including blood derivatives, blood plasma, supplies and their administration. As of January 1, 2004, whole blood and packed red blood cells are covered expenses. Body component preservation and storage for future use are not covered expenses;

n. Hemodialysis when provided by a hospital qualified to provide hemodialysis treatment. The determination of the carrier as to whether or not a hospital is a qualified hospital for providing hemodialysis is final;

o. Durable medical equipment (see App. A, III.I.);

p. Prosthetic and orthotic appliances (see App. A, III.I.);

q. Hospital services for mastectomy or for sterilization of male or female enrollees, regardless of medical necessity;

r. Hospital services for plastic, cosmetic and reconstructive surgery regardless of the medical necessity for the surgery [see App. A, III.E.3.a.(1)];

s. Hospital services for abortions regardless of the medical necessity for the abortion;

t. Pulmonary function evaluation;

u. Skin bank, bone bank and other tissue storage bank costs;

v. Inhalation therapy;

w. Human organ and tissue transplants. For hospitalization for medically recognized human organ or tissue transplants from a living or cadaver donor to a transplant recipient, hospital services (including evaluation tests to establish compatibility and suitability of potential and actual donors when the tests cannot be done safely and effectively on an outpatient basis) are provided as follows:

(1) When the transplant recipient and the donor are both enrollees, benefits are provided for both;

(2) When the transplant recipient is an enrollee, but the living donor is not, benefits are provided for the transplant recipient and, to the extent they are not available under any other health care coverage, for the donor;

(3) When the living donor is an enrollee and the transplant recipient is not, benefits are provided only for the donor;

(4) When the transplant recipient is an enrollee, expenses incurred in the evaluation and procurement of cadaver organs and tissues are benefits when billed by the hospital. All such expenses will be charged to the enrollee's coverage to the extent that they are not covered by any other health care coverage of the donor or potential donor.

3. Outpatient Hospital Coverage

a. When an enrollee receives outpatient hospital services in a participating hospital, or any hospital for carriers without participating arrangements, which have been ordered by the attending physician and approved by the carrier or preferred provider organization (see App. A, II.A.), the enrollee is entitled to the same coverages available on an inpatient basis, except that:

(1) Drugs, biologicals, and solutions are covered only to the extent they are used in the hospital and administered in connection with the use of operating or surgical treatment rooms, anesthesia, laboratory examinations, other outpatient hospital services, or, as of October 1, 1999, IV infusion therapy services.

(2) Physical therapy, speech therapy and functional occupational therapy also may be covered (see App. A, III.C.).

(3) Chemotherapy (chemotherapeutics, antineoplastic agents and necessary ancillary drugs and their administration) is provided for the treatment of malignant diseases except when the treatment is research or experimental in nature. Chemotherapy is covered for the following routes of administration: parenteral, continuous or intermittent infusion, perfusion, and intracavitary. Coverage is not available for the oral administration of chemotherapy. Coverage is available for three (3) follow-up visits within thirty (30) days of covered chemotherapy treatments.

(4) Coverage does not include treatment of chronic conditions which require repeated visits to the hospital, except for hemodialysis and, as of October 1, 1999, IV infusion therapy services.

(5) Services in the emergency room of a hospital are covered for the initial examination and treatment of conditions resulting from accidental injury or medical emergencies. A medical emergency will be considered to exist only if medical treatment is secured within seventy-two (72) hours after the onset of the condition. Follow-up care is not covered, with the exception of follow-up care for rabies exposure (see App. A, III.E.3.t.).

If an emergency room patient is placed under observation care, hospital services are covered when such services are reasonable and necessary to evaluate a patient's condition or determine the need for possible admission to the hospital. Coverage for such services is generally limited to 24 hours, unless the medical necessity of additional time is documented in the medical records and approved by the carrier.

(6) Pulmonary function evaluation is covered in the hospital outpatient setting, in accordance with Program standards.

(7) Hyperbaric oxygenation is covered in the outpatient hospital setting, effective January 1, 2004, for patients with emergent conditions (cyanide poisoning, acute carbon monoxide intoxication and decompression illness). Coverage will be expanded to non-chronic acute conditions and to certain chronic conditions upon implementation of Integrated Care Management. Program standards will be developed for non-chronic acute and chronic conditions, taking into account, among other factors, Medicare policy.

(8) Inhalation therapy is not covered.

(9) Skin bank, bone bank and other tissue storage bank services are not covered.

b. Hemodialysis (use of kidney machine) or peritoneal dialysis for the treatment of a chronic, irreversible kidney disease is covered in an enrollee's home when services are incurred, and billed by a hospital which has a hemodialysis program approved by the carrier.

(1) Benefits will not be payable unless the following conditions are met:

(a) treatment must be arranged through the physician attending the enrollee and the physician director or a committee of staff physicians of the training program, and

(b) the owner of the enrollee's residence must give written permission to the hospital for installation of the equipment prior to its installation.

(2) The following are covered expenses under this subsection:

(a) purchase, lease, or rental of a hemodialysis machine placed in the enrollee's home;

(b) installation and maintenance or repair of a hemodialysis machine placed in the enrollee's home;

(c) hospital expenses for training the enrollee and any individual who will be assisting the enrollee in the home setting in operating the hemodialysis machine;

(d) laboratory tests related to the dialysis procedure;

(e) consumable and expendable supplies required during the dialysis procedure, such as dialysis membrane, solution, tubing, and drugs;

(f) removal of the dialysis equipment

from the enrollee's home when the enrollee no longer needs the equipment.

(3) The following are not covered expenses under this subsection:

(a) services not provided and billed by a hospital with a hemodialysis program approved by the carrier;

(b) reimbursement to individuals trained and assisting in the dialysis procedure;

(c) electricity or water used in operating the dialyzer;

(d) installation of electric power, a water supply, or a sanitary waste disposal system in conjunction with installing the dialysis equipment;

(e) physician's services, except to the extent the physician is reimbursed by the hospital for administration and overall supervision of the program;

(f) transfer of the dialyzer to another location in the enrollee's residence;

(g) services performed prior to the effective date of the home hemodialysis program;

(h) services provided by an agency or organization providing "back-up" assistance in home hemodialysis, including the services of hospital personnel sent to the enrollee's home, or of other persons under contract with the hospital.

4. Limitations and Exclusions

a. Coverage for hospital services is only for the period which is medically necessary for the proper care and treatment of the enrollee, subject to the maximum benefit period and other applicable Program

provisions. As a condition of continued hospital coverage, the carrier may require written verification by the physician in charge of the case of the need for services.

b. Coverage does not include hospital services related to domiciliary, custodial, convalescent, nursing home, or rest care.

c. Coverage does not include hospital services consisting principally of dental treatment or extraction of teeth, except as provided in App. A, III.E.3.a.(2).

d. Coverage does not include inpatient hospital services when the care received consists principally of observation or diagnostic evaluations, inpatient physical therapy, x-ray examinations, laboratory examinations, electrocardiography or basal metabolism tests, ultrasound studies, nuclear medicine studies, weight reduction by diet control with or without medication, or environmental control.

e. Coverage for hospital services does not include services of physicians, oral surgeons, or services covered elsewhere in this Appendix, such as x-ray examination or therapy, electrocardiography, cobalt, or ultrasound studies.

f. The enrollee must give notice of coverage to any hospital at the time of admission. If notice is not given at that time, the enrollee may be liable for a portion of charges incurred.

g. If an enrollee cannot obtain admission to participating or nonparticipating hospitals, the carrier may pay the enrollee an amount not to exceed sixty-five dollars ($65) for the expense of nursing and other services and supplies, restricted to the equivalent of hospital care made necessary by the illness or injury. The payment shall be full satisfaction of all obligations

of the carrier and the participating hospitals to furnish hospital service for the disability for which admission was sought; provided, however, that if the admission is for the care of contagious or epidemic disease, or injury due to war, declared or undeclared, the Corporation, the carriers and the participating hospitals are under no obligation or liability under this Program.

h. Hospital coverage does not include facility charges for care received in an urgent care center.

i. Hospital coverage does not include facility charges for care received in a freestanding ambulatory surgery center, unless such center meets Program standards and is approved for benefit payment under the Program.

j. Coverage for hospital services is subject to the Terms and Conditions of Section II, and Limitations and Exclusions of Section IV.

B. Skilled Nursing Facility Coverage

1. Conditions of Benefit Payments

An enrollee is eligible for benefits for covered expenses incurred in a skilled nursing facility only if the following conditions have been met:

a. The services are received on or after the enrollee's effective date of coverage in this Program;

b. The services have been approved by the carrier or preferred provider organization (see App. A, II.A.) and the enrollee is admitted to the skilled nursing facility by the order of a physician who certifies that the enrollee requires the type of care available at the facility;

c. The enrollee has benefit period days available under the skilled nursing facility benefit period (see App. A, II.B.);

d. The care received by the enrollee consists of definitive medical, nursing, or other paramedical care.

2. Coverages

a. Upon admission to a participating skilled nursing facility, or to any skilled nursing facility for carriers without participating arrangements, an enrollee is entitled to receive, if approved by the carrier or preferred provider organization (see App. A, II.A.), the following services when prescribed by the physician in charge of the case and when provided and billed by the facility:

(1) Semiprivate room, general nursing service, meals, and special diets;

(2) Use of special treatment rooms;

(3) Routine laboratory examinations;

(4) Physical, speech, or functional occupational therapy when medically necessary for the treatment of the enrollee (see App. A, III.C.);

(5) Oxygen and other gas therapy;

(6) Drugs, biologicals, and solutions used while the enrollee is in the facility;

(7) Gauze, cotton, fabrics, solutions, plaster, splints and other materials used in dressings and casts;

(8) Durable medical equipment (see App. A, III.I.).

b. Medical care in skilled nursing facilities: Coverage is provided for medical care approved by the carrier or preferred provider organization (see App. A, II.A.), in a skilled nursing facility by the physician in charge of the case. Care is subject to the 730 day benefit

period maximum of two (2) visits per week (see App. A, II.B.3.c.). However, no coverage is available for medical care in a skilled nursing facility for the treatment of tuberculosis or substance abuse.

3. Limitations and Exclusions

a. Skilled nursing facility services are covered only when the services are medically necessary. As a condition of continued skilled nursing facility coverage, the carrier may require written verification by the physician in charge of the case of the need for services.

b. Coverage is not provided for care which is principally custodial or domiciliary or for care of tuberculosis.

c. Notwithstanding a. and b. above, for the period of time the Program is secondary to the payment of Medicare benefits for skilled nursing facility services, Medicare's determination of coverage will be deemed to satisfy Program criteria as to medical necessity and maintenance, domiciliary and custodial care. However, if aware of the admission during such period of time, the Control Plan, or another designated party, shall review the admission and advise the enrollee as to ongoing coverage before the exhaustion of Medicare benefits.

d. Coverage for skilled nursing facility services is subject to the Terms and Conditions of Section II, and the Limitations and Exclusions of Section IV.

C. Physical, Functional Occupational and Speech Therapy Coverage

1. Conditions of Benefit Payments

An enrollee is eligible for benefits for physical, functional occupational and speech therapy covered

expenses only if the following conditions have been met:

a. Services are received on or after the enrollee's effective date of coverage in this Program;

b. Services are approved by the carrier or preferred provider organization (see App. A, II.A.), and prescribed by the physician in charge of the case and are provided or supervised by a registered and licensed physical, occupational or speech therapist for the specific therapy prescribed (i.e., a registered and licensed occupational therapist need not be supervised by a registered and licensed physical therapist);

c. Services are provided in and billed by:

(1) a freestanding outpatient physical therapy facility, home health care agency or skilled nursing facility approved by the carrier or preferred provider organization;

(2) a hospital; or

(3) an independent physical therapist or physician who is participating with or approved by the carrier; and

d. Benefits are available during the benefit period for covered inpatient care or home health care services (see App. A, II.B.) or within the 60-visit maximum for outpatient care (see subsection 2., below).

2. Benefit Maximums

a. An enrollee admitted to a hospital or skilled nursing facility as an inpatient or to a home health care program is entitled to unlimited physical, functional occupational and speech therapy services rendered during the applicable benefit period (see App. A, II.B.).

b. An enrollee is entitled to receive up to a combined total of sixty (60) physical, functional occupational and/or speech therapy visits per condition in any calendar year, whether provided in an approved freestanding outpatient physical therapy facility or an approved hospital outpatient department. This benefit period is renewable each calendar year, or immediately following a distinct aggravation of, or surgery related to, the condition for which outpatient therapy benefits were originally paid.

c. Multiple therapy treatments occurring on the same day are considered a single visit.

d. In the event a child under 6 years of age is entitled to benefits under subsection 3.b.(3) below, there is a separate 60-visit speech therapy benefit available.

3. Coverages

Physical, functional occupational and speech therapy services are covered as follows:

a. Physical Therapy and Functional Occupational Therapy

(1) Upon admission to a hospital or skilled nursing facility, an enrollee is entitled to receive physical and functional occupational therapy to the extent medically necessary for the treatment of the condition for which the enrollee is admitted.

(2) Enrollees are entitled to receive physical therapy or functional occupational therapy provided through an approved home health care agency. When special equipment not easily made available in the home is required, an enrollee is entitled to coverage for physical or functional occupational therapy and speech evaluation in a hospital or freestanding outpatient physical therapy facility participating in the home health care program when related to the condition for which

the enrollee was admitted to the home health care program. The normal limitation on visits for outpatient physical, functional occupational and speech therapy does not apply to this provision. Instead, the home health care benefit entitlement applies.

(3) Effective April 1, 2000, enrollees are entitled to receive physical therapy provided in an office setting by an independent physical therapist meeting Program standards or by a physician. The provider must be participating with or approved by the carrier. Such treatments are subject to the benefit maximum in subsection 2.b. above. Physical therapy provided by an independent physical therapist or physician who is not participating with or approved by the carrier or preferred provider organization is not covered.

b. Speech Therapy

(1) Upon admission to a hospital or skilled nursing facility, an enrollee is entitled to receive speech therapy on the same basis as described in subsection 3.a.(1) above.

(2) Speech therapy (speech pathology) is covered on an outpatient basis when related to the treatment of an organic medical condition or to the immediate post-operative or convalescent state of the enrollee's illness. Such services are subject to the sixty (60) visit limitation, unless provided by an approved home health care agency, in which case the home health care benefit period maximum applies (see App. A, II.B.). Speech therapy is not covered for long-standing, chronic conditions, or inherited speech abnormalities except as set forth in subsection b.(3) below.

(3) Speech therapy for congenital and severe developmental speech disorders is a covered service for children under six (6) years of age, when not available through other public agencies (e.g., state or

school), up to sixty (60) visits annually. If a child turns age six (6) while such therapy is in progress, coverage will be continued until the 60-visit maximum for that calendar year is exhausted.

(a) Such therapy must be provided only through an approved hospital outpatient facility, freestanding outpatient physical therapy facility, or home health care agency.

(b) In order to be covered, the child must be diagnosed as having a severe communicative deficit as defined by Program standards.

(c) Speech therapy is not covered for the following conditions:

(i) Educational learning disabilities (e.g., dyslexia);

(ii) Deviant swallow or tongue thrust; and

(iii) Mild developmental speech or language disorders.

(d) Initial and interim patient assessment to determine severity of condition, potential for improvement, progress and/or readiness for discharge from treatment is considered part of the overall treatment program and is a covered service when accompanied by treatment.

(e) Steady improvement as a consequence of treatment must be documented. Such documentation must be available to the carrier upon request.

4. Limitations and Exclusions

a. Coverage for physical therapy services is available only if:

(1) it is provided with the expectation that the condition will improve in a reasonable and generally predictable period of time, or

(2) improvement is noted on a periodic basis, as documented in the patient's record.

b. Coverage for physical therapy and functional occupational therapy is excluded for treatment of congenital conditions or when provided solely to maintain musculoskeletal function.

c. Coverage is not available for inpatient admissions which are principally for physical, functional occupational and speech therapy.

d. Coverage for physical, functional occupational and speech therapy services is subject to the Terms and Conditions of Section II, and the Limitations and Exclusions of Section IV.

D. Home Health Care Coverage

1. Conditions of Benefit Payments

An enrollee is eligible for benefits for covered expenses incurred for home health care service only if the following conditions have been met:

a. The home health care services are received on or after the enrollee's effective date of coverage in this Program;

b. The enrollee is referred to and accepted by a home health care agency that meets Program standards and is approved by the local carrier;

c. The services received are approved by the carrier or preferred provider organization (see App. A, II.A.), prescribed by the physician in charge of the case and provided and billed by an approved provider;

d. The physician in charge of the case certifies to the carrier that home health care is medically necessary for the care of the enrollee; and

e. Visits are available within the benefit period (see App. A, II.B.).

2. Coverages

a. The following home health care services are covered when provided and billed by a home health care agency approved by the carrier or preferred provider organization:

(1) General nursing services;

(2) Physical therapy and speech therapy (may be provided and billed by a hospital outpatient department or freestanding outpatient physical therapy facility under limited circumstances - see App. A, III.C.3.);

(3) Social service guidance, dietary guidance, and functional occupational therapy; and

(4) Part-time health aide service by a home health aide employed by an approved home health care agency. To be eligible for home health aide service, the enrollee must be receiving one of the services in (1) or (2) above, and it must be determined by the home health care agency that the enrollee could not be treated under this subsection without the home health aide service.

b. The following services are covered when provided and billed by an approved provider:

(1) Laboratory tests;

(2) Drugs, biologicals, and solutions; and

(3) Medical supplies which are essential in order to effectively administer in the home the medical

regimen ordered by the physician. Supplies include items such as bandages, dressings, splints, hypodermic needles, catheters, colostomy appliances, and oxygen.

c. IV infusion therapy services in the home are covered under home health care coverage. The following provisions will apply to such services:

(1) The "homebound" requirement will be waived with respect to home infusion therapy patients;

(2) Related nursing services will be included;

(3) Applicable prescription drugs will be included;

(4) All services directly related to infusion therapy, including DME, parenteral and enteral methods of hyperalimentation, chemotherapy, and supplies, will be covered under Home Health Care coverage;

(5) The provision that limits home health care benefits to three visits for each remaining inpatient hospital day will be waived; and

(6) Home IV infusion therapy services will be covered only when delivered by a provider that is accredited by the Joint Commission on Accreditation of Healthcare Organizations.

3. Limitations and Exclusions

a. Coverage for home health care services is available only when the services are medically necessary. As a condition of continued home health care coverage, the carrier may require written verification by the physician in charge of the case of the need for services.

b. Coverage under this subsection does not include supplies such as elastic stockings and personal

comfort items or equipment and appliances such as hospital beds, oxygen tents, walkers, wheelchairs, or orthotics.

c. Coverage under this subsection does not include physician services, private duty nursing services or housekeeping services.

d. Coverage for home health care services is subject to the Terms and Conditions of Section II, and the Limitations and Exclusions of Section IV.

E. Surgical and Medical Coverage

1. Conditions of Benefit Payments

An enrollee is eligible for benefits for expenses incurred for surgical and medical covered services only when the following conditions have been met:

a. Services are received on or after the enrollee's effective date of coverage in this Program;

b. Services are approved by the carrier or preferred provider organization (see App. A, II.A.); and

c. Services are received prior to the termination date of the enrollee's coverage, except that services received during hospital admissions which commence prior to such termination date will be covered subject to other provisions of this Program.

2. Payment of Services

a. The carrier(s) will make payment according to a fee schedule, capitation schedule, or reasonable and customary charges.

b. A carrier will make the benefit payments directly to the provider for services performed or materials furnished by such provider, or directly to the enrollee if appropriate.

c. A carrier's determination, made in good faith, of the amount of fees, capitation rates or reasonable and customary charges is conclusive. The carrier will defend its determination of the fee, capitation rate or reasonable and customary charge if a provider claims an amount in excess of the carrier's determination from the enrollee and there is no prior written agreement between the patient and the provider regarding the amount of the provider's charges.

d. Certain hospital-based physician services billed by a hospital will be paid directly to the hospital by a carrier according to the carrier's agreement with the hospital.

3. Coverages

Except as otherwise indicated, the following services are covered:

a. Surgery: Subject to the limitations listed below, surgical services, consisting of generally accepted operating and cutting procedures for the necessary diagnosis and treatment of diseases, injuries, fractures, or dislocations, are covered when performed by the physician in charge of the case.

Surgical services include usual, necessary, and related preoperative and postoperative care performed in or out of the hospital.

(1) Plastic and reconstructive surgery is limited to the correction of congenital anomalies and conditions resulting from accidental injuries or traumatic scars, to the correction of deformities resulting from cancer surgery or following medically necessary mastectomies (including medically necessary mastectomies resulting from cancer or fibrocystic disease), and to blepharoplasties when there is secondary visual impairment resulting from conditions such as Bell's Palsy.

Notwithstanding the above, in compliance with the Women's Health and Cancer Rights Act of 1998, in the case of an enrollee who undergoes a mastectomy and who elects breast reconstruction in connection with the mastectomy, coverage includes: reconstruction of the breast on which the mastectomy has been performed; surgery and reconstruction of the other breast to produce a symmetrical appearance; and prostheses and physical complications of all stages of mastectomy, including lymphedemas, in a manner determined in consultation with the attending physician and the patient.

(2) Dental surgery is limited to multiple extractions, removal of one or more unerupted teeth, alveoloplasty, or gingivectomy, and is covered only when performed in a facility setting (i.e., hospital inpatient or outpatient or FASC), when a concurrent hazardous medical condition exists and when Program standards are met.

(3) Human organ or tissue transplants: For medically recognized human organ or tissue transplants from a living or cadaver donor to a transplant recipient which requires surgical removal of a donated part, benefits for services as listed and limited in this subsection (including laboratory services for evaluation tests to establish a potential donor's compatibility and suitability) will be provided in the same manner as under Section III.A.2.w.

In addition, heart, heart-lung, lung, pancreas, and liver human organ transplants are covered for the reasonable and customary charges up to a maximum benefit payment of $25,000.

Payments will be reduced by any amount payable from other sources, such as foundations, grants, governmental agencies or programs, research or educational grants and charitable organizations.

(4) Surgical procedures for mastectomy or for sterilization of male and female enrollees are covered, regardless of medical necessity. Sterilization reversals are not covered.

(5) Laser surgery is covered if the alternative cutting procedure is covered. The maximum benefit payable for laser surgery is the reasonable and customary charge for the alternative cutting procedure.

(6) Hemodialysis services are covered only when performed in a facility meeting Program standards and approved by the local carrier.

b. Anesthesia: Services for the administration of anesthetics are covered, when provided by a physician, other than the operating physician, and when required by, and performed in conjunction with, another covered service.

(1) Anesthesia services provided by a physician for covered services are payable in all settings that are appropriate for the covered surgical or diagnostic service being performed, including inpatient hospital, outpatient hospital, free-standing ambulatory surgical center, and physician's office.

(2) Anesthesia services include the administration of anesthesia by a Certified Registered Nurse Anesthetist (CRNA) or an Anesthesia Assistant (AA) working under the medical direction of an anesthesiologist who is available for immediate attendance. CRNA services are also covered if performed under the general supervision of a physician who is not an anesthesiologist and who is available for immediate attendance.

(3) CRNAs must attain specialty certification from the Council on Certification of Nurse Anesthetists and be state licensed. AAs must be

graduates of an educational program accredited by the Commission on Accreditation of Allied Health Education Programs, be certified by the National Commission for the Certification of Anesthesiologists Assistants and the National Board of Medical Examiners, and work under the supervision of a licensed MD or DO who is responsible for overall provision of anesthesia to the patient. Anesthesia services performed by CRNAs or AAs are payable in the inpatient hospital, outpatient hospital or free-standing ambulatory surgery center settings.

(4) Administration of local anesthetics is not covered. Anesthesia services, supplies, gases and use of equipment provided by a hospital are covered under Section III.A.2.c.

c. Technical surgical assistance: Services by a physician or a physician assistant who actively assists the operating physician are covered when medically necessary and when related to covered surgical or maternity services. In order for the services of the assistant surgical physician or physician assistant to be covered, it must be certified that the services of interns, residents, or house officers were not available at the time. In order for technical surgical assistance performed by a physician assistant to be covered, the physician assistant must be legally qualified and registered, certified and/or licensed, as applicable, to perform these health care services. The physician assistant must meet Program standards and be approved by the carrier. Reimbursement for technical surgical assistance services performed by a physician assistant will be made to the employer of the physician assistant.

d. Maternity care: Obstetrical services of a physician or a certified nurse-midwife, including usual prenatal and postnatal care, are covered. For each pregnancy, coverage is also provided for routine

prenatal laboratory examinations which are performed in connection with normal maternity care. Covered obstetrical services provided by a certified nurse-midwife are limited to basic antepartum care, normal vaginal deliveries, and postpartum care. For a given uncomplicated pregnancy, reimbursement for such care would be to the physician or the certified nurse-midwife, but not both. Certified nurse-midwives are reimbursed only for deliveries occurring in the inpatient setting or in a birthing center that is hospital affiliated, state licensed and accredited and approved by the carrier. The certified nurse-midwife must be legally qualified and registered, certified and/or licensed, as applicable, to perform these health care services. The nurse-midwife must meet Program standards and be approved by the carrier.

(1) The coverage includes the initial hospital inpatient examination of a newborn child by a physician other than the delivering physician, certified nurse-midwife or the physician administering anesthesia during delivery.

(2) Obstetrical services of a physician for an abortion are covered only when the abortion is medically necessary.

e. Medical care in hospitals: Inpatient hospital medical care by the physician in charge of the case is covered for conditions, diseases, or injuries (except mental health and substance abuse which is provided for in Appendix B) for which care is different in kind and nature from that customarily provided and considered to be surgical or obstetrical provided benefits are available within the benefit period (see App. A, II.B.).

f. Medical care in skilled nursing facilities: Coverage is set forth in App. A, III.B.2.b.

g. Consultations: While an enrollee is an inpatient in a hospital or skilled nursing facility, and when requested by the physician in charge of the case, coverage is provided for the assistance of a physician in the diagnosis or treatment of a condition which requires special skill or knowledge.

This coverage does not include staff consultations required by a facility.

h. Emergency treatment: Coverage is provided for the services of one or more physicians for the initial examination and treatment of conditions resulting from accidental injury or medical emergencies. A medical emergency will be considered to exist only if medical treatment is secured within seventy-two (72) hours after the onset of the condition.

If an emergency room patient is placed under observation care, physician services for further examination and treatment will be covered in connection with coverage for hospital services under App. A, III. A.3.a.(5).

If the treatment is in a hospital outpatient department, payment is made only to a physician who is not an employee of the hospital. Follow-up care is not covered.

i. Chemotherapy: Coverage for chemotherapy is provided under App. A, III.A.2.e. for inpatient care and under App. A, III.A.3.a. (3) for outpatient care. Chemotherapy administered in a physician's office is covered on the same basis as outpatient.

j. Extra-corporeal shock wave lithotripsy (ESWL): Coverage is provided for services rendered in an approved facility and meeting Program standards.

k. Therapeutic radiology: Coverage is

provided for treatment of conditions by x-ray, radium, radon, external radiation, or radioactive isotopes (e.g., cobalt), and includes the cost of materials provided which are not supplied by a hospital.

l. Diagnostic radiology: Coverage is provided if approved by the carrier or preferred provider organization as required, for diagnosis of any condition, disease, or injury by x-ray, ultrasound, isotope examination, computerized axial tomography (CAT), magnetic resonance imaging (MRI), positron emission tomagraphy (PET), mammography and other modalitites. Coverage restrictions include, but are not limited to, the following:

(1) Computerized axial tomography is a covered procedure for diagnostic examinations of certain parts of the body (body scans) when ordered by a physician and performed on approved equipment in accordance with Program standards.

(2) Coverage for diagnostic radiology does not include miniature x-ray plates, screening procedures, chest fluoroscopies, or any examination or procedure not directly related and necessary to diagnosis.

(3) Digital subtraction angiography is a covered procedure if performed on hospital based equipment and billed by the hospital.

(4) Magnetic resonance imaging (MRI) coverage is provided in accordance with Program standards, which include, but are not limited to, frequency limitations (3 outpatient services per year per condition; inpatient services will not be counted towards this limit) and use of approved facilities.

Benefits will be limited to the carrier determined rate for the applicable geographic area.

(5) Positron emission tomography (PET) is a covered procedure when performed in accordance with Program standards for covered conditions and approved providers.

(6) The maximum benefit payable for digital mammography is the reasonable and customary charge for the alternative standard film mammogram.

m. Diagnostic laboratory, pathology and other services:

(1) Coverage is provided if approved by the carrier or preferred provider organization (see App. A, II.A.) for laboratory and pathological examination for the diagnosis of any condition, disease, or injury. In addition to examinations of blood, tissue, and urine, diagnostic laboratory and pathology include laboratory procedures such as electrocardiograms, electroencephalograms, electromyograms, and basal metabolism tests.

Routine laboratory services in connection with normal maternity care are provided according to the provisions of Section III. E.3.d.

(2) Coverage is provided for laboratory and pathological services for one (1) routine Papanicolaou (PAP) smear per enrollee per year to detect cancer of the female genital tract when prescribed by a physician. More frequent PAP smears will be covered only when specifically prescribed for one of the following conditions: previous surgery for a vaginal, cervical, or uterine malignancy; presence of a suspect lesion in the vaginal, cervical, or uterine areas as established through clinical examination; or a positive PAP smear leading to surgery and requiring a post-operative smear.

(3) Proctoscopic examinations with biopsy are covered. Proctoscopic examinations without biopsy

are covered once every three (3) calendar years after age 40 is attained.

(4) Two dimensional echocardiography is a covered procedure if recommended or performed by a board certified or board eligible cardiologist.

(5) When a covered diagnostic test requires injection of a drug, biological or solution in order to perform the test, the drug, biological or solution and the injection of it are covered, subject to carrier billing and reimbursement practices. For purposes of this subsection only, injections of thyrogen are covered in conjunction with covered thyroid scans.

n. Physician office visits: Coverage is provided for Preferred Provider Organization option enrollees only. Benefits are payable only when office visits are performed by panel providers subject to the conditions below.

(1) The benefit available for PPO option enrollees is 50% of the charge recognized by the PPO for panel providers.

(2) Coverage includes medical visits by a physician when rendered in the physician's office, the home, or the outpatient department of a hospital, for the examination, diagnosis, and treatment of any condition, disease or injury.

(3) Subject to other Program provisions and limitations, the following items may be covered during an office visit:

(a) history;

(b) physical examination;

(c) complete blood count;

(d) urinalysis;

(e) vital signs;

(f) breast examination; and

(g) pelvic examination with PAP smear.

(4) Office visit coverage does not duplicate or replace benefits available under other areas of coverage, such as mental health, prenatal and postnatal care, immunizations, routine eye examinations or substance abuse.

(5) Office visit coverage does not include office visits for:

(a) insurance and employment examinations;

(b) manipulation and/or adjustment of subluxation;

(c) allergy testing; and

(d) injections (unless otherwise provided in this Appendix).

(6) Office visits to a non-panel physician, without referral by a panel physician, are not covered.

o. Well baby care: Coverage is provided for Preferred Provider Organization option enrollees only. Benefits are payable for well baby visits to panel providers subject to the conditions below:

(1) The children must be under one (1) year of age.

(2) The maximum number of visits allowed is six (6).

(3) After the 6-visit maximum is exhausted, further visits are subject to the provisions of subsection n. above.

p. Immunizations and vaccinations: Coverage is provided for certain immunizations for Preferred Provider Organization option enrollees only. Serum is covered only when it is not supplied by a health department or other public agency. Facility charges associated with the immunizations are not covered. Benefits are payable only when immunizations are performed by PPO panel providers, subject to the conditions noted. However, subsections (5) and (6) below apply to Traditional option enrollees and do not require use of panel providers.

(1) For a child six years of age or younger, coverage includes:

(a) five primary doses of diphtheria, tetanus, pertussis (DTP) vaccine;

(b) four doses of inactivated poliovirus vaccine (IPV);

(c) four doses of haemophilus influenza type B (HIB) vaccine; and

(d) four doses of pneumococcal conjugate vaccine (PCV).

(2) For a child age one through age 12, coverage includes:

(a) up to two doses of measles, mumps, rubella (MMR) vaccine; and

(b) one dose of varicella (VAR) vaccine.

(3) If the immunizations referenced in subsections (1) and (2) above are administered after age 12 and before age 19, they will be covered if earlier childhood immunizations were missed.

(4) For a child from birth through age 18, coverage includes:

(a) up to four doses of hepatitis B vaccine;

(b) two doses of varicella (VAR) vaccine; and

(c) one dose of tetanus and diphtheria toxoid (Td) for children between 11 and 12, if at least 5 years have elapsed since the prior tentanus and diphtheria immunization.

(5) Effective January 1, 2004, or as soon thereafter as practicable, coverage will be provided for one dose of pneumococcal polysaccharide vaccination (PPV) for enrollees age 65 or older.

(6) Tetanus diphtheria (Td) booster vaccination: Effective January 1, 2004, or as soon thereafter as practicable, coverage will be provided for one Td booster vaccination every 10 years.

q. Mammography: Coverage will be provided for routine screening mammography in accordance with the following:

(1) a baseline mammogram at age 40;

(2) a mammogram every one (1) to two (2) years between ages forty through forty-nine (40 through 49) depending on risk factors and physician recommendation; and

(3) a mammogram each year after age fifty (50) is attained.

The maximum benefit payable for digital mammography is the reasonable and customary charge for the alternative film mammography.

r. Prostate Specific Antigen (PSA): Coverage is provided for a screening PSA test once every plan year for enrollees ages forty (40) and older. The test

must be performed in accordance with guidelines established by the American Cancer Society. PSA tests used to confirm a diagnosis of cancer or to track the progress of the disease, and to determine the effectiveness of the treatment being given will continue to be covered regardless of age.

s. Screenings: For PPO option enrollees, coverage will be provided for the following screenings, when prescribed by a panel physician and administered by a panel provider:

(1) one fecal occult blood test per year, beginning at age 50;

(2) one flexible sigmoidoscopy exam or one barium enema every 5 years, or one colonoscopy every 10 years, beginning at age 50; and

(3) one total serum cholesterol with low density lipoprotein (LDL) test every 5 years, beginning at age 20.

Additionally, coverage is provided for Hepatitis C (HCV) screening for Traditional and PPO option enrollees who are at risk or have signs or symptoms which may indicate a Hepatitis C infection.

t. Treatment for rabies exposure: Coverage is provided for administration of rabies vaccines necessitated by a recent exposure (e.g., by bite, scratch, or exposure to saliva) to a rabid or potentially rabid animal.

Whether initial treatment is performed in an emergency room or not, follow-up treatments can be performed in a physician office or hospital outpatient setting.

u. Influenza immunization: Coverage is provided for one annual influenza immunization per

enrollee. Facility charges or charges for a concurrent office visit associated with the immunization are not covered.

v. Contraceptive Services: Medical and surgical coverage for contraceptive services is limited to injections of contraceptive medication (professional fees and medication for injection), implantable contraceptives and their insertion or removal, intrauterine devices and their insertion or removal, cervical caps and their fitting, and the fitting of diaphragms. Coverage under this Section does not include over-the-counter contraceptive devices or diaphragms. See Appendix A.III.G. for prescription drug coverage provisions regarding oral contraceptives, injectable contraceptive medication, contraceptive patches and diaphragms.

4. Limitations and Exclusions

a. Dental services, including extraction of teeth, except as provided for in Section III. E.3.a.(2), are not covered under this subsection.

b. Examinations and tests in connection with research studies, screening procedures, routine or periodic physical examinations, premarital examinations, or similar examinations or tests not required in and directly related to diagnosis of illness or injury, except as specifically provided for in this Appendix, are not covered.

c. Coverage for surgical and medical services is subject to the Terms and Conditions of Section II, and the Limitations and Exclusions of Section IV.

F. Ambulance Service Coverage

1. Conditions of Benefit Payments

Ambulance services are covered if the following conditions and requirements are met:

a. Ambulance services must be medically necessary. Ambulance services are not medically necessary if any other means of transportation could be used without endangering the patient's health.

b. The ambulance operation providing the service must be licensed and meet Program standards.

c. Ambulance coverage is provided for transportation for purposes of:

(1) transferring (one-way or round trip) a hospital inpatient, or patient seen in the emergency room, from one hospital to another local hospital when lack of needed treatment facilities, equipment or staff physicians exists at the first hospital (in the event the required medically necessary treatment is not available within the local metropolitan area, transfer will be to the closest hospital where such treatment is available), or

(2) transporting (one-way or round trip) a hospital inpatient to a non-hospital facility for a covered CAT scan, MRI or PET examination provided the following conditions are met:

(a) the services are not available in the hospital in which the enrollee is confined or in a closer local hospital, and,

(b) the facility meets Program standards for providing the services;

(3) Emergency transportation (including by air or boat ambulance as of January 1, 2004) for:

(a) transporting a patient one way from the scene of an emergency incident to the nearest available facility qualified to treat the patient; or

(b) transporting a patient one way or round trip from the home to the nearest available facility qualified to treat the patient.

(i) Medical emergency/ accidental injury patients are provided one way transportation from the home to the facility. Return trip will not be considered medically necessary following stabilization.

(ii) Homebound patients are provided round trip transportation from the home to the facility and back when medically necessary (other means of transportation could not be used without endangering the patient's health).

d. A physician must prescribe the services which necessitate the use of ambulance transportation for services described in c.(1) and (2) above.

2. Coverages

The reasonable and customary charges for the following services are covered when furnished and billed by an eligible provider (as determined by the carrier or preferred provider organization):

a. *Charges for basic life support services* — a standard charge per trip inclusive of use of vehicle and equipment, supplies and personnel required to perform services classified as basic life support services. Basic life support consists of services which provide for the initial stabilization and transport of a patient.

b. *Charges for advanced life support services* — a standard charge per trip inclusive of use of vehicle and equipment, supplies and personnel required to perform services classified as advanced life support services. Advanced life support is acute emergency treatment procedures with physician involvement.

c. *Mileage charges* — a charge per mile for distances traveled while the enrollee occupies the ambulance.

d. *Waiting time* — a charge for waiting time

involved in round-trip transport of an enrollee from a hospital to another treatment site and return to the same hospital.

e. Charges for fixed or rotary wing air ambulance services or boat ambulance services - a standard charge per trip inclusive of use of the air transport or boat transport, supplies and personnel required to perform needed services.

When emergency transport services are received from an air or boat ambulance, the covered expense is limited to that necessary to transport the patient to the nearest facility qualified to treat the condition. Transport up to 100 miles is subject to a 50% enrollee copayment. If transport exceeds 100 miles, the enrollee also is responsible for any amounts in excess of the expense for the first 100 miles. If it is determined that transport by ground ambulance would have sufficed, payment will be limited to the amount that would have been paid for ground ambulance. The enrollee will be responsible for any balance.

When services are received from an ambulance operation approved by the carrier, the carrier will reimburse the provider for the reasonable and customary charges as determined by the carrier. An approved provider must agree to accept, as payment in full, the carrier's determination of the amount payable for covered ambulance services.

When services are received from an eligible, but non-approved provider, the carrier will pay the enrollee the reasonable and customary charge as determined by the carrier.

3. Limitations and Exclusions

a. The following services are not covered as separate charges; such charges are included in the benefit payment for the standard charge per trip:

(1) Use of specific equipment or devices;

(2) Gases, fluids, medications, dressings, or other supplies;

(3) First aid, splinting, or any emergency medical services or personal service procedures; and

(4) Vehicle operators, attendants, or other personnel.

The charges for these services, while not covered as separate charges, are covered as a component of the charge for the basic or advanced life support services.

b. Coverage is limited to the reasonable and customary charges for transporting the patient within a metropolitan area or to the nearest facility qualified to treat the enrollee, as appropriate (see Subsection 1.c., above).

c. Coverage does not include the following:

(1) Transportation in a vehicle not qualified as an ambulance;

(2) Transportation for enrollee, family or physician convenience;

(3) Service rendered by fire departments, rescue squads or others whose fee is in the form of a voluntary donation;

(4) Transfers not medically necessary;

(5) Fees, billed by physicians or other independent health care providers, for professional services rendered to enrollees transported by ambulance;

(6) Fees for services when the enrollee is not actually transported;

(7) Transportation (one-way or round trip) of an enrollee to a health care facility for the purpose of receiving ESWL services;

(8) Services which are payable through an existing arrangement for transfer of patients, where no additional charge is usually made, whether or not such services were immediately available; and

(9) Coverage for ambulance services is subject to the Terms and Conditions of Section II, and the Limitations and Exclusions of Section IV.

G. Prescription Drug Coverage

1. Definitions

For the purposes of this subsection:

a. *"brand name drug"* means a drug which is covered by a patent and for which an equivalent version can not be manufactured or marketed (single source) or a drug which is no longer covered by a patent and for which chemically equivalent versions can be manufactured and marketed (multi-source).

b. *"copayment"* means an amount to be paid by the enrollee for each separate prescription order or refill of a covered drug.

c. *"covered drug, supplies or diaphragm"* means insulin or any prescription legend drug that is dispensed according to a prescription order provided that:

(1) the drug is medically necessary for the treatment of an illness or injury, or is a contraceptive medication;

(2) the cost of the drug is not included or includable in the cost of other services or supplies provided to the enrollee;

(3) the amount of the prescription charge exceeds the copayment;

(4) the drug is customarily dispensed according to a prescription order; and

(5) the drug is not entirely consumed at the time and place of the prescription order.

"Supplies" refers to syringes and needles dispensed with self-administered insulin or an antineoplastic agent under the provisions of this subsection.

"Diaphragm" refers to a self-administered contraceptive device.

d. *"generic drug"* means a drug that is chemically equivalent to a multi-source brand name drug.

e. *"nonparticipating provider"* means a provider who has not entered into a contract with the carrier.

f. *"participating provider"* means a provider who has entered into a contract with a carrier to provide a covered drug to an enrollee, in accordance with the provisions of this Program and this subsection. Such contract shall provide for payment to the provider based on prescription charges. In the case of a preferred provider organization which provides prescription drug coverage under the Program, participating providers are the organization's panel pharmacies.

g. *"pharmacist"* means a person licensed to dispense prescription legend drugs under the laws of the state where such person practices.

h. *"pharmacy"* means a licensed establishment where prescription legend drugs are dispensed by a pharmacist.

i. *"prescription legend drug"* means any medicinal substance which, under the Federal Food, Drug and Cosmetic Act, is required to be labeled "Caution: Federal law prohibits dispensing without a prescription" or "Rx Only" and includes compounded medications containing at least one prescription legend drug.

j. *"prescription charge"* means a dispensing fee plus the lesser of the reasonable and customary amount paid by the provider for a covered drug (including insulin and disposable syringes and needles), or such amount as may be negotiated by the carrier with participating providers. The "dispensing fee" is an amount or amounts, including applicable sales tax, predetermined by the carrier to compensate participating providers for dispensing covered drugs.

For covered drugs obtained from a non-participating provider or from a provider in an area where the carrier does not provide the coverage, the prescription charge means the reasonable and customary charge as determined by the carrier.

k. *"prescription order"* means a written or oral request to a provider by a physician for a single prescription legend drug.

l. *"provider"* means a pharmacy or any other organization or person licensed to dispense prescription legend drugs.

2. Reimbursement

a. The copayment amount for each separate prescription order or refill of a covered drug shall not exceed:

(1) $5.00 for generic drugs dispensed at retail; or

covered drugs or supplies obtained from a participating provider are covered subject to the Program provisions.

f. Upon proof of payment acceptable to the carrier, an enrollee is entitled to reimbursement from the carrier of seventy-five percent (75%) of the reasonable and customary charge for the generic or brand name drug, as applicable, as determined by the carrier after deduction of the appropriate copayment, of covered drugs obtained on a non-emergency basis from a nonparticipating provider located within the area in which the carrier provides coverage. The enrollee may incur additional expense if a brand name drug rather than the generic is dispensed at the enrollee's request or when not medically necessary.

g. Upon proof of payment acceptable to the carrier, an enrollee is entitled to reimbursement from the carrier of one hundred percent (100%) of the reasonable and customary charge for the generic or brand name drug, as applicable, as determined by the carrier after deduction of the appropriate copayment, of covered drugs obtained from a provider located outside the area in which the carrier provides coverage or from an in-area non-participating provider in the case of an emergency. The enrollee may incur additional expense if a brand name drug rather than the generic is dispensed at the enrollee's request or when not medically necessary.

3. Coverage

a. At retail, coverage includes up to a 34-day supply of a covered drug. Certain drugs, such as contraceptives, may be subject to Program standards clarifying what is included in "up to a 34-day supply."

b. At retail, coverage includes a one-month supply of disposable syringes and needles when prescribed and dispensed with a one-month supply of

self-administered insulin or a covered self-administered antineoplastic agent.

c. At retail, coverage includes two diaphragms per year. Diaphragms are not available through the mail order pharmacy.

d. At mail order, coverage includes up to a 90-day supply of covered drugs and supplies, with a corresponding prescription or refill order. Diaphragms are not available through the mail order pharmacy.

4. Maximum Allowable Cost Programs

Maximum Allowable Cost or alternative generic substitution programs, are provided by all carriers. All enrollees except those in the Health Maintenance Organization option will be eligible. Unless precluded by law, or responding to a physician direction or enrollee request, Program providers may substitute a generic drug for the equivalent multi-source brand name drug.

5. Limitations and Exclusions

a. Coverage under this subsection does not include:

(1) any research or experimental agent including Federal Food and Drug Administration approved drugs which may be prescribed for research or experimental treatments;

(2) any charge for a medication being used for a cosmetic purpose, even if the medication is a prescription legend drug;

(3) any charge for devices (other than diaphragms) or appliances (e.g., orthotics, and other non-medical substances);

(4) any vaccine administered for the prevention of infectious diseases;

(2) $10.00 for brand name drugs dispensed at retail; or

(3) $2.00 ($5.00 effective January 1, 2005) for brand name or generic drugs dispensed through mail order.

(4) The retail copayment for generic and brand name drugs applicable to those enrolled as a retiree or surviving spouse (or a dependent of a retiree or surviving spouse) as of September 18, 2003 will be $5.00.

b. In addition to the copayment, enrollees may incur additional expense if a brand name drug, other than a drug identified in subsection (4), below is dispensed:

(1) If the brand name drug is dispensed at the enrollee's request, or upon determination that it is not medically necessary to dispense the brand name drug rather than the generic, the enrollee will pay the appropriate generic drug copayment plus the full difference in Program cost between the generic drug and the brand name drug;

(2) If the brand name drug is dispensed at retail and at physician direction, the enrollee will pay the appropriate brand name copayment plus the difference (up to a maximum of $10.00) in Program cost between the generic drug and the brand name drug.

(3) The carrier will initiate a review of the medical necessity for dispensing the brand name drug rather than the generic if no review has been requested by enrollees or their physicians. If the medical necessity is not established, future dispensing will be subject to subsection (1) above.

(4) In the case of (3), above, if it is found that dispensing of the brand name drug rather than the

generic was medically necessary, amounts in excess of the brand name copayment will be refunded automatically. The carrier's systems will be adjusted to allow dispensing of the brand name for the duration of the prescription.

(5) "Narrow Therapeutic Index drugs" are those for which small variations in the dose could result in changes in drug safety. In order to remain within a safe and effective range, these medications may require frequent patient monitoring to adjust the dose. When such brand name drugs are dispensed, only the brand name copayment will apply. Drugs currently included in this group are:

Lanoxin
Dilantin
Tegretol
Cyclosporine
Depakene
Mysoline
Levothyroxine (including Synthroid)

This list may be adjusted from time-to-time as reflected in Program standards.

c. The copayments specified above are for the days supply referenced in subsection G.3, below. To the extent a particular covered drug, supply or device is pre-packaged in days supply exceeding the specified ones, and cannot be repackaged by the provider, the copayments will be prorated to account for the additional days supply.

d. Effective January 1, 2004, after the original prescription order and two (2) refills, retail purchases of covered drugs identified in subsection 5.b., below (and related supplies, if applicable) are subject to an enrollee copayment of 100% of the Program cost.

e. Except for the amounts indicated above,

(5) antineoplastic agents except those that can be self-administered through subcutaneous or intramuscular injection or in oral dosage form and are not covered under another section of this Appendix;

(6) any charge for administration of covered drugs;

(7) any charge for a covered drug in excess of the quantity specified by the physician, or any refill dispensed after one (1) year from the physician's order;

(8) any charge for more than a thirty-four (34) day supply of a covered drug at retail;

(9) any charge for medications furnished on an inpatient or outpatient basis covered under any other subsection of this Appendix or under any subsection of Appendix B; and

(10) any charge for drugs received prior to the effective date of this coverage.

b. The following drugs are covered at retail, at the applicable 34-day copayment, for an original prescription and two (2) refills; thereafter they are covered at mail, at the applicable copayment for up to a 90-day supply, or at retail at 100% copayment of Program costs for up to a 34-day supply:

Insulin
Acebutolol
Acetazolamide
Acetohexamide
Albuterol
Allopurinol
Amiloride
Amiloride/HCTZ
(Hydrochlorothiazide)

Amlodipine
Atenolol
Atenolol/Chlorthalidone
Atorvastatin
Benazepril
Bendroflumethiazide
Benzthiazide
Benztropine
Betaxolol
Bisoprolol
Bumetanide
Captopril
Captopril/HCTZ
Carbidopa/Levodopa
Chlorothiazide
Chlorpropamide
Chlorthalidone
Chlorthalidone/Clonidine
Clonidine
Clonidine Hydrochloride
Conjugated Estrogens
U.S.P.
Diclofenac Sodium
Digitoxin
Digoxin
Diltiazem
Dipyridamole
Disopyramide
Doxazosin
Enalapril
Enalapril/HCTZ

Estradiol
Estrogens, esterified
Estropipate
Etodolac
Felodipine
Flurbiprofen
Fluvastatin
Fosinopril
Furosemide
Gemfibrozil
Glimepiride
Glipizide
Glyburide
Guanfacine HCL
HCTZ/Reserpine/Hydralazine
Hydralazine
Hydrochlorothiazide
Hydrochlorothiazide/
Spironolactone
Hydrochlorothiazide/
Triamterene
Ibuprofen
Indapamide
Indomethacin
Isosorbide Dinitrate
Isradipine
Labetalol
Liotrix
Lisinopril
Lisinopril/HCTZ

Losartan
Lovastatin
Medroxyprogesterone
Medroxyprogesterone/Estrogens,
conjugated
Metaproterenol
Metformin
Methazolamide
Methyclothiazide
Methyldopa
Methyltestosterone/Estrogens,
conjugated
Methyltestosterone/Estrogens,
esterified
Metolazone
Metoprolol
Metoprolol succinate
Minoxidil
Moexipril
Montelukast
Nabumetone
Nadolol
Naproxen
Naproxen sodium
Nicardipine
Nifedipine
Nisoldipine
Nitroglycerin
Papaverine
Pindolol
Polythiazide

Potassium Chloride Liquid
Potassium Chloride Tablets
Potassium Gluconate
Pravastatin
Prazosin Hydrochloride
Probenecid
Procainamide
Propranolol/HCTZ
Propranolol Hydrochloride
Quinapril
Quinidine gluconate
Quinidine Sulfate
Ramipril
Reserpine
Selegiline
Simvastatin
Spironolactone
Sulindac
Terazosin
Terbutaline
Theophylline
Timolol Drops
Timolol Maleate
Tolazamide
Tolbutamide
Trandolapril
Triamterene
Trichlormethiazide
Trihexyphenidyl
Valsartan
Verapamil

Zafirlukast
Isoniazid
Natural Thyroid
Levothyroxine
Liothyronine
Para-Aminosalicylic Acid
Phenytoin
(Diphenylhydantoin)
Primidone
Prophylthiouracil

c. Coverage under this subsection is subject to the Terms and Conditions of Section II, and the Limitations and Exclusions of Section IV.

6. Pharmacy Network

a. The carrier will maintain a nationwide limited network of participating retail providers (including local and national pharmacy chains, as appropriate), and a mail order pharmacy. The carrier will select network pharmacies, in part, on access and quality assurance criteria. In contracting with providers, the carrier will assure that the providers fully understand the Program's prescription drug coverage provisions, including eligibility requirements and benefit levels. The carrier will negotiate appropriate fees with participating providers.

b. The Carrier will meet standards of quality, service and accessibility (e.g., availability of participating providers within 5 miles of enrollee's residence or closest facility if greater than 5 miles for 90% of enrollees).

c. The Carrier will establish uniform pharmacy protocols, pharmacy auditing procedures,

drug utilization review processes, and all quality assurance procedures.

d. The Carrier will monitor network performance and provide aggregate data on a regular basis. Data reports will include, but not be limited to, information such as utilization of services, costs, quality measurements, use of various categories of drugs, (e.g., generic, single source, etc.) provider prescribing patterns and patient outcomes.

e. The carrier will be subject to independent audits to assure that quality, service, professional standards and other express commitments are being met.

f. The Carrier will make benefit payments to the participating providers or, in the case of services received from non-participating providers, the Carrier will make benefit payments to the enrollee or non-participating provider, as appropriate.

g. The Carrier will administer Drug Utilization Review (DUR) activities to review whether patients receive appropriate drug therapy as measured against generally accepted pharmaceutical practices. Such DUR incorporates concurrent and retrospective reviews. It also incorporates a voluntary drug formulary and a mandatory program to promote the use of generic prescription drugs, where appropriate. In addition, DUR will attempt to identify a variety of critical drug therapy problems such as, but not limited to:

(1) Drug-disease conflicts;

(2) Drug-drug interactions;

(3) Age/gender prescription conflicts;

(4) Over and under utilization;

(5) Allergy alerts;

(6) Therapeutic duplication; and

(7) Early refills.

h. The Carrier will provide a comprehensive on-line, point-of-service claims processing system with an electronic telecommunication network that facilitates management of enrollee eligibility verification, formulary information, drug prescribing protocols, drug utilization review, pharmacy reimbursement and possibly expanded patient information, to make informed dispensed decisions.

i. The carrier will conduct pharmacist profiling, and individual intensive education will be completed as necessary.

j. The carrier will conduct physician profiling and will identify physicians who exhibit persistently inappropriate prescribing patterns across their practice. Such physicians will be the subject of individual intensive education efforts, as necessary.

k. The Carrier will prepare appropriate communications regarding the prescription drug coverage for enrollees, network pharmacies, and as necessary, for prescribing physicians.

l. The Carrier will ensure that quality assurance mechanisms will be administered to identify routinely inappropriate drug prescribing that could result in adverse medical outcomes, including hospitalization by incorporating components such as:

(1) A total quality management (TQM) philosophy;

(2) Rigorous pharmacy management and performance monitoring;

(3) Prescribing physician reeducation as necessary;

(4) Client specific program performance management;

(5) Patient medication compliance monitoring; and

(6) Outcomes assessment analyses

H. Hearing Aid Coverage

1. Definitions

For the purposes of this subsection:

a. *"physician"* means a participating otologist or otolaryngologist who is board certified or eligible for certification in such specialty in compliance with standards established by the respective professional sanctioning body, who is a licensed doctor of medicine or osteopathy legally qualified to practice medicine and who, within the scope of such license, performs a medical examination of the ear and determines whether the patient has a loss of hearing acuity and whether the loss can be compensated for by a hearing aid;

b. *"audiologist"* means any participating person who (1) possesses a master's or doctorate degree in audiology or speech pathology from an accredited university, (2) possesses a Certificate of Clinical Competence in Audiology from the American Speech and Hearing Association and (3) is qualified in the state in which the service is provided to conduct an audiometric examination and hearing aid evaluation test for the purposes of measuring hearing acuity and determining and prescribing the type of hearing aid that would best improve the enrollee's loss of hearing acuity. A physician performing the foregoing services shall be deemed an audiologist for purposes of this subsection;

c. *"dealer"* means any participating person or organization that sells hearing aids prescribed by a

physician or audiologist to improve hearing acuity in compliance with the laws or regulations governing such sales, if any, of the state in which the hearing aids are sold;

d. *"provider"* means a physician, audiologist or dealer;

e. *"participating"* means having a written agreement with the carrier pursuant to which services or supplies are provided under this subsection (if the carrier does not maintain agreements with such providers, "participating" shall mean any provider approved for reimbursement by the carrier);

f. *"hearing aid"* means an electronic device worn on the person for the purpose of amplifying sound and assisting the physiologic process of hearing, and includes an ear mold, if necessary;

g. *"ear mold"* means a device of soft rubber, plastic or a non-allergenic material which may be vented or nonvented that individually is fitted to the external auditory canal and pinna of the enrollee;

h. *"audiometric examination"* means a procedure for measuring hearing acuity that includes tests relating to air conduction, bone conduction, speech reception threshold and speech discrimination;

i. *"hearing aid evaluation test"* means a series of subjective and objective tests by which a physician or audiologist determines which make and model of hearing aid will best compensate for the enrollee's loss of hearing acuity and which make and model will therefore be prescribed, and shall include one visit by the enrollee subsequent to obtaining the hearing aid for an evaluation of its performance and a determination of its conformity to the prescription;

j. *"dispensing fee"* means a fee

predetermined by the carrier to be paid to a dealer for dispensing hearing aids, including the cost of providing ear molds, under this subsection;

k. "acquisition cost" means the actual cost to the dealer of the hearing aid.

2. Conditions of Benefit Payments

An enrollee is eligible for benefits for covered hearing aid expenses only if the following conditions have been met:

a. Charges incurred for audiometric examinations and hearing aid evaluation tests, to the extent that these charges are reasonable and customary and, in the case of hearing aid evaluation tests, do not exceed $120 ($122 effective October 1, 2003) per test or, if higher, the adjusted maximum determined as described below, and hearing aids, as set forth below:

(1) audiometric examination performed by a physician or audiologist, but only when performed in conjunction with the most recent medical examination of the ear by a physician (but not including the medical examination of the ear);

(2) hearing aid evaluation test performed by a physician or audiologist, which may include the trial and testing of various makes and models of hearing aids to determine which make and model will best compensate for the loss of hearing acuity but only when indicated by the most recent audiometric examination; and

(3) hearing aids of the following functional design: in-the-ear, behind-the-ear (including air conduction and bone conduction types) and on-the-body, but only if (i) the hearing aid is prescribed based upon the most recent audiometric examination and most recent hearing aid evaluation examination and (ii) the

hearing aid provided by the dealer is the make and model prescribed by the physician or audiologist and is certified as such by the physician or audiologist. Binaural hearing aids are provided for children under 19 years of age with a hearing loss in both ears. For children 7 years of age and under, replacement ear molds are covered as of January 1, 2004 for:

(a) 4 ear molds per year for children under the age of 3; and

(b) 2 ear molds per year for children ages 3 through 7.

b. In order for the charges for services and supplies described in (2) and (3) immediately above to be payable as hearing aid benefits under this subsection, for an initial hearing aid, an enrollee must obtain a medical examination of the ear by a physician. Such examination or such examination in conjunction with the audiometric examination must result in a determination that a hearing aid would compensate for the loss of hearing acuity and, in the case of binaural hearing aids for children, would correct or prevent speech impairment. For enrollees under the age of 18, a medical examination is required each time a hearing aid is covered.

c. The maximum covered hearing aid expense ($122 effective October 1, 2003) for a hearing aid evaluation test shall be adjusted on October 1 of each year, by the percentage increase as of the July levels in the United States Consumer Price Index (as defined in the National Agreement) for the immediately preceding twelve months. The result will be rounded to the nearest dollar.

3. Coverages

The enrollee may obtain audiometric exami-

nations, hearing aid evaluation tests and hearing aids that the provider shall have agreed to furnish enrollees in accordance with the following reimbursement arrangements:

a. for an audiometric examination, the reasonable and customary charge;

b. for hearing aid evaluation tests, the reasonable and customary charge, but not to exceed $120 ($122, effective October 1, 2003) or such adjusted amount as provided in subsection H.2.c.;

c. for covered hearing aids, the acquisition cost; and

d. for hearing aids, the dispensing fees.

If the enrollee requests unusual services from the provider, the enrollee shall pay the full additional charge.

4. Limitations

Frequency: If an enrollee has received an audiometric examination, a hearing aid evaluation test or a hearing aid for which benefits were payable under this subsection, benefits will be payable for each subsequent audiometric examination, hearing aid evaluation test or hearing aid only if received more than 36 months after receipt of the most recent previous audiometric examination, hearing aid evaluation test and hearing aid, respectively, for which benefits were payable under this subsection.

5. Exclusions

Covered hearing aid expense does not include and no benefits are payable, under this Section III. H., for:

a. Audiometric examinations by an audiologist for any condition other than loss of hearing acuity;

b. Medical or surgical treatment;

c. Drugs or other medication;

d. Audiometric examinations, hearing aid evaluation tests and hearing aids provided under any applicable Workers Compensation law;

e. Audiometric examinations and hearing aid evaluation tests performed, and hearing aids ordered:

(1) before the enrollee became eligible for coverage; or

(2) after termination of the enrollee's coverage;

f. Hearing aids ordered while covered but delivered more than 60 days after termination of coverage;

g. Charges for audiometric examinations, hearing aid evaluation tests and hearing aids for which no charge is made to the enrollee or for which no charge would be made in the absence of hearing aid coverage;

h. Charges for audiometric examinations, hearing aid evaluation tests and hearing aids which are not necessary, according to professionally accepted standards of practice, or which are not recommended or approved by the physician;

i. Charges for audiometric examinations, hearing aid evaluation tests and hearing aids that do not meet professionally accepted standards of practice, including charges for any such services or supplies that are experimental in nature;

j. Charges for audiometric examinations, hearing aid evaluation tests and hearing aids received as a result of ear disease, defect or injury due to an act of war, declared or undeclared;

k. Charges for audiometric examinations, hearing aid evaluation tests and hearing aids provided by any governmental agency that are obtained by the enrollee without cost by compliance with laws or regulations enacted by any federal, state, municipal or other governmental body;

l. Charges for any audiometric examinations, hearing aid evaluation tests and hearing aids to the extent benefits therefore are payable under any health care program supported in whole or in part by funds of the federal government or any state or political subdivision thereof;

m. Replacement of hearing aids that are lost or broken unless at the time of such replacement the enrollee is otherwise eligible under the frequency limitations set forth herein;

n. Charges for the completion of any claim forms;

o. Replacement parts for and repairs of hearing aids;

p. Charges incurred by persons enrolled in alternative plans;

q. Charges for a non-standard (e.g., eyeglass-type, digital and/or digital/programmable) hearing aid to the extent the charge for such hearing aid exceeds the covered hearing aid expense for one standard hearing aid (see Subsection H.2.a.(3)., above); and

r. Binaural hearing aids except as provided in this subsection for children under 19 years of age.

I. Durable Medical Equipment and Prosthetic and Orthotic Appliances

1. Conditions of Benefit Payments

An enrollee is eligible for benefits for the rental or purchase of durable medical equipment and the purchase of prosthetic and orthotic appliances only when the following conditions have been met:

a. Coverage is provided for the basic equipment or appliances plus medically necessary special features prescribed by the attending physician and approved by the carrier or preferred provider organization (see App. A, II.A.).

b. The equipment or appliances must be prescribed by a physician and the prescription must include a description of the equipment and the reason for use or the diagnosis.

c. Coverage is provided for the purchase of durable medical equipment or prosthetic or orthotic appliances ordered on or after the effective date and prior to the termination date of the enrollee's coverage in this Program.

d. Coverage is provided for the rental charges for durable medical equipment for periods on or after the effective date and prior to the termination date of the enrollee's coverage in this Program.

2. Payment of Services

a. The carrier will make payment for the reasonable and customary charge for rental or purchase of durable medical equipment when obtained from a provider other than a hospital or skilled nursing facility. Benefit payments for rental of durable medical equipment shall not exceed the purchase price of such equipment.

b. The carrier will make payment for the reasonable and customary charge for external prostheses and orthotic appliances.

3. Coverages

a. Process for Updating Coverages

(1) A procedure has been established for the ongoing periodic update of the durable medical equipment and prosthetic and orthotic appliance coverages.

(2) Written notification of changes in Medicare Part B durable medical equipment and prosthetic and orthotic appliance coverages, and other recommendations for coverage changes, will be provided to the Corporation by the Control Plan.

The notifications and recommendations shall include, but not be limited to, the following information:

(a) Quality of care, access and appropriate utilization concerns and proposed actions to resolve such concerns;

(b) Any item(s) being replaced by new item(s), and a plan for discontinuation of coverage for the replaced item(s); and

(c) Positive or negative impact on Program costs.

(3) The Corporation shall review and approve or disapprove the application of Medicare Part B coverage changes or other Control Plan recommendations. If approval is given for a coverage change, an effective date will be established.

(4) The Control Plan will advise appropriate carriers of any changes which are approved through this procedure, the effective dates, and any applicable administrative rules. The local carriers will advise providers.

b. Durable Medical Equipment

(1) Unless otherwise indicated below, the equipment must be an item of durable medical equipment which meets Program standards including being approved for reimbursement under Medicare Part B or adopted in accordance with the process in subsection 3.a., above, and be appropriate for use in the home.

(2) Durable medical equipment is covered when used in a hospital or skilled nursing facility, or when used outside the hospital or skilled nursing facility and rented or purchased from such hospital or facility upon discharge.

(3) When the equipment is rented and the rental period extends beyond the expiration of the original prescription, the physician must recertify by another prescription that the equipment continues to be reasonable and medically necessary for the treatment of the illness or injury or to improve the functioning of a malformed body member. If the recertification is not submitted, coverage will cease on the date indicated on the original prescription for duration of need, or thirty (30) days after the date of death, whichever is earlier. Coverage will not be provided for rental charges in excess of the purchase price of the equipment.

(4) When the equipment is purchased, coverage is provided for repairs necessary to restore the equipment to a serviceable condition. Routine periodic maintenance is not covered.

(5) The following equipment is covered, subject to any stated conditions and to the other Program standards, although not Medicare approved:

(a) neuromuscular stimulators, if prescribed by an orthopedic or physiatric specialist;

(b) positioning transportation chairs as

alternatives to traditional wheelchairs for children fourteen (14) years of age and under, who suffer from neuromuscular disorders, closed head injuries, spinal cord disorders or congenital abnormalities;

(c) electromagnetic bone growth stimulators, as an alternative to bone grafting in cases of severe physical trauma involving non-union of long bone fractures (in excess of 90 days from the date of fracture), or failed bone fusion;

(d) pressure gradient supports (also known as burn pressure garments) prescribed for circulatory insufficiency conditions to promote and restore normal fluid circulation in the extremity (up to four times annually for chronic conditions unless there is a change in physical conditions such as gain or loss of weight of the patient), and when prescribed to enhance healing and prevent scarring of burn patients;

(e) phototherapy (bilirubin) light with photometer, for patients under the age of one (1) having a diagnosis of hyperbilirubinemia;

(f) special features which, although not subject to review and approval under Medicare Part B, are necessary to adapt otherwise covered equipment for use by children; and

(g) continuous passive motion device for use on elbow and shoulder after surgical treatment.

(6) Pronged and standard canes must be purchased.

c. Prosthetic and Orthotic Appliances

(1) Unless otherwise indicated below, the appliance must be a prosthetic or orthotic device which meets Program standards including being approved for reimbursement under Medicare Part B or adopted in accordance with the process in subsection 3.a., above.

(a) The coverage for therapeutic shoes prescribed for diabetics not eligible for Medicare shall be limited to the diagnoses established by the Control Plan.

(b) The following items are covered, subject to any stated conditions and to the other provisions of the Program and this subsection, although not Medicare-approved:

(i) any style of orthopedic footwear, other than a basic oxford, when the shoes are an integral part of a covered brace;

(ii) all orthopedic shoe inserts, arch supports and shoe modifications used with a shoe that is attached to a covered brace; and

(iii) wigs and appropriate related supplies (stand and tape) are covered for enrollees under the age of 18 who are suffering hair loss from the effects of chemotherapy, radiation or other treatments for cancer. For the first purchase of a wig and necessary related supplies the maximum benefit will be $200. Thereafter, a maximum annual benefit of up to $125 will be provided for such purchases.

(2) Coverage is provided for appliances furnished by a fully accredited facility or, with carrier approval, by facilities conditionally accredited by the American Board for Certification in Orthotics and Prosthetics, Inc. as a provider for the kind of device supplied. The following appliances may be provided by facilities not accredited by the American Board for Certification in Orthotics and Prosthetics: ocular prostheses; prescription lenses; pacemakers; ostomy sets and accessories; catheterization equipment and urinary sets; prefabricated custom fitted orthotic appliances; artificial ears, noses, and larynxes; external breast prostheses; wigs and related supplies and such other appliances as the carrier may determine.

(3) Coverage includes prosthetic appliances or devices which are surgically implanted permanently within the body (except for experimental or research appliances or devices) or those which are used externally while in the hospital as part of regular hospital equipment, as well as external prosthetic or orthotic appliances prescribed by a physician for use outside the hospital.

(4) Coverage for a prosthetic and orthotic appliance includes the replacement, repair, fitting and adjustments of the appliance.

(5) Coverage includes prescription lenses (eyeglasses or contact lenses) only following a cataract operation for any disease of the eye or to replace the organic lens missing because of the congenital absence, or when customarily used during convalescence from eye surgery.

4. Limitations and Exclusions

a. Durable medical equipment which is not covered includes, but is not limited to:

(1) deluxe equipment such as motor driven wheelchairs and beds, unless medically necessary for the treatment of the enrollee's condition and required in order for such enrollee to be able to operate the equipment (for deluxe equipment or features which are not medically necessary for the treatment of the enrollee's condition and required in order for such enrollee to be able to operate the equipment, benefits are limited to the comparable cost of basic, standard equipment);

(2) items not medical in nature (which are primarily comfort and convenience items such as bedboards, bathtub lifts, overbed tables, adjust-a-beds, telephone arms, air conditioners);

(3) physician's equipment (such as sphygmomanometers and stethoscopes);

(4) exercise and hygienic equipment: such as exercycles, Moore Wheel, bidet, toilet seats and bathtub seats;

(5) self-help devices not primarily medical in nature (such as sauna baths and elevators); and

(6) experimental or research equipment.

b. Coverage for prosthetic and orthotic appliances does not include:

(1) dental appliances; hearing aids; eyeglasses (except as provided in subsection 3.b.(5) above); or such non-rigid appliances and supplies as elastic stockings, garter belts, arch supports, corsets and corrective shoes unless the shoe is attached to a medically necessary brace or covered under subsections 3.b.(1)(a) and (b), above; or

(2) experimental or research devices.

J. Hospice Coverage

Hospice coverage, as described below, is available to Traditional and Preferred Provider Organization option enrollees. It addresses the needs of terminally ill patients who do not require the continuous level of care provided in a hospital or skilled nursing facility.

1. Definitions

For the purposes of this subsection:

a. *"Bereavement counselling"* means services provided to the patient's family (or other person caring for the patient at home) after the patient's death.

b. *"Care rendered in a nursing home facility with hospice support"* means care provided to patients

who are medically stable but unable to return home because there is no primary care giver available to care for the patient at home, and the patient cannot self-administer the needed care.

c. *"Respite care"* means short-term inpatient care provided only when necessary to give relief to family members or other persons caring for the patient at home.

2. Conditions of Benefit Payments

An enrollee is eligible for benefits for covered expenses incurred in a hospice program only if the following conditions have been met:

a. The admission to the hospice program commences on or after the effective date and prior to the termination date of the enrollee's coverage in this Program.

b. The services are provided and billed by a hospice program which meets Program standards and is approved by the local carrier.

c. The enrollee is admitted to the hospice program by order of a physician who certifies that the enrollee requires the type of care available through the hospice and that the enrollee has a life expectancy of six (6) months or less.

d. The enrollee voluntarily elects to participate in the hospice program and agrees to accept the services provided by the hospice program as treatment of the terminal condition.

e. The enrollee has benefit period days available under the hospice benefit period (see App. A, II.B.).

3. Coverages

a. Benefits for hospice services are limited to a maximum aggregate lifetime benefit in accordance with Program standards.

b. Upon admission to an approved hospice program, an enrollee is entitled to receive the following services when rendered as part of the treatment plan:

(1) nursing care provided by or under the supervision of a registered nurse;

(2) medical social services provided by a social worker under the direction of a physician;

(3) physician services;

(4) counselling services provided to the patient, family members and/or other persons caring for the patient at home;

(5) general inpatient care provided in a hospice inpatient unit;

(6) medical appliances and supplies;

(7) physical, occupational and speech therapies;

(8) continuous home care provided during periods of crisis as necessary to maintain the patient at home;

(9) respite care;

(10) bereavement counselling;

(11) care rendered in a nursing home with hospice support; and

(12) home health aide services.

K. Case Management Program

1. The Case Management Program (CMP) is a component of the Informed Choice Plan which is applicable to Traditional and Preferred Provider Organization option enrollees, and which is intended to provide high quality, cost-effective alternative treatment options for patients with catastrophic, chronic, and long-term treatment needs which may result in exhaustion of benefits or high costs. It focuses on those whose care could be maintained, improved or prolonged by more effective use of existing Program provisions or, in appropriate cases, through alternative treatment plans designed to cost no more than the treatment otherwise planned. CMP is not a method for approving new procedures or services not otherwise covered under the Informed Choice Plan.

2. The list of conditions used by the carriers for review for potential CMP involvement includes, but is not limited to, the following:

a. major head trauma;

b. spinal cord injury;

c. comatose;

d. multiple amputations;

e. traumatic and degenerative muscular/neurological disorders (e.g., muscular dystrophy, "Lou Gehrig's Disease," multiple sclerosis);

f. newborns with high risk complications;

g. births with multiple congenital anomalies;

h. cerebrovascular accident (stroke) requiring long-term rehabilitation;

i. severe burns;

j. Acquired Immune Deficiency Syndrome (AIDS);

k. selected blood abnormalities;

l. diagnoses involving long-term IV therapy (e.g., osteomyelitis, pericarditis, endocarditis);

m. severe rheumatoid arthritis;

n. selected osteoarthritis;

o. Crohn's disease; and

p. cases involving extended or repeated hospital stays, as well as cases having multiple admissions for the same diagnosis.

3. Once a patient's medical condition is identified by the carrier as having potential for case management, the case is reviewed confidentially, and an Alternative Benefit Plan may be developed by the carrier with the cooperation of the patient, family, and the physicians/providers.

4. If a decision is made to implement an Alternative Benefit Plan that incorporates services not otherwise covered under this Program, the remaining days of inpatient care, determined in accordance with the attending physician's prognosis, are converted into a dollar pool against which all benefits paid while the patient is under the Alternative Benefit Plan are charged.

a. The total cost of Alternative Benefit Plans involving services not otherwise covered will be limited by the cost of treatment which would have occurred otherwise.

b. If the dollar pool is exhausted, the Alternative Benefit Plan ceases and the provisions of Appendix A, II.B. will apply with regard to renewal of a benefit period.

c. Participation in the CMP is voluntary, and the patient may withdraw from the Alternative Benefit Plan at any time. In such event, the remaining dollar pool is reconverted to equivalent hospital days to determine the patient's entitlement, if any, remaining in the benefit period.

IV. Limitations and Exclusions

In addition to the limitations and exclusions appearing in other Sections of this Appendix, the following general limitations and exclusions apply to all Sections:

A. *Effective date:* For the purposes of this Section, effective date means the later of the effective date of this Program or the effective date of the enrollee's coverage under this Program. Benefits are not provided under this Program for:

1. services, treatment, or care provided to an enrollee prior to the effective date; or

2. hospital, skilled nursing facility, or home health care services for admissions which commenced prior to the effective date.

B. *Termination date:* Coverage is not provided for services provided after the date this Program or an enrollee's coverage under this Program is terminated except that the coverage continues for physician and hospital, or skilled nursing facility, or residential substance abuse facility services for continuous predetermined and approved (see App. A, II.A. and Appendix B, II.B.) inpatient admissions which commenced prior to the termination date of such coverage.

C. *Blood:* Coverage is not provided for the preservation and storage of body components for future use.

D. *Private duty nursing services:* Coverage does not include services of private duty nurses. Private duty nursing means nursing care which is privately contracted by, or on behalf of, an enrollee with a nurse, or agency, independent of this Program.

E. *Room accommodations:* If accommodations more expensive than those specified in Section III.A. are used for any reason, the carrier will not pay the difference between the charges for the more expensive accommodations and those for the covered accommodations. If, for any reason, the enrollee occupies accommodations less expensive than those covered by this Appendix, the enrollee is not entitled to payment of the difference in charges.

F. *Dental services:* Coverage does not include dental services except as specifically provided for in this Appendix.

G. *Chemotherapy:* Coverage does not include chemotherapy services except as specifically provided for in this Appendix.

H. *Medical necessity:* Coverage does not include services, care, treatment, or supplies which are not medically necessary according to accepted standards of medical practice for the treatment of any condition, injury, disease, or pregnancy, except as specifically provided for in this Appendix (e.g., voluntary sterilizations).

I. *Research or experimental services:* Coverage does not include care, services, supplies, or devices which are experimental or research in nature.

J. *Personal or convenience items:* Coverage does not include care, services, supplies, or devices which are personal or convenience items.

K. *Services not related to specific diagnosed illness or injury:* Coverage does not include services for premarital examinations; pre-employment examinations; or for routine or periodic physical examinations unrelated to the existence of a previously diagnosed specific condition, disease, illness, or injury, except as specifically provided for in this Appendix.

L. *Unreasonable charges:* Coverage does not include any charges to the extent such charges are determined by the carrier to be unreasonable.

M. *Employer related services:* Coverage does not include services related to any condition, disease, ailment, or injury arising out of or in the course of employment and for which the employer furnishes, pays for, or provides reimbursement under the provisions of any law of the United States or any state or political subdivision thereof, or for which the employer makes a settlement payment. Coverage does not include services rendered through a medical clinic or other similar facility provided or maintained by an employer.

N. *Services available without cost:* Coverage does not include services for which a charge would not have been made if no coverage existed; services for which the enrollee is not legally obligated to pay; services which the enrollee received or, upon application, could receive without cost under the laws or regulations of the United States of America, Dominion of Canada, any other country, or any state or political subdivision thereof.

O. *Services available through other programs:* Coverage does not include any service to the extent the benefits are payable:

1. Under any group health care contract under the coordination of benefits provision of this Program;

2. Under Medicare, if the enrollee was or would

have been eligible for Medicare benefits at the time of service had the enrollee enrolled in Medicare (see App. A, II.E.); or

3. Under any health care program supported in whole or in part by funds of the federal government or any state or political subdivision except where by law this Program is made primary.

P. *Services provided by family members or relatives:* Coverage does not include services provided to the enrollee by a person related to the enrollee by blood or marriage.

Q. *Services related to corrective eye surgery:* Coverage under this Appendix does not include any services, supplies or charges related to corrective eye surgery, as defined in Appendix D, III, K, of this Program. See Appendix D, IV, C, for Program coverage provisions for such surgery.

APPENDIX B

MENTAL HEALTH AND SUBSTANCE ABUSE

The provisions of this Appendix B apply to enrollees of the Traditional and Preferred Provider Organization options of the Informed Choice Plan.

I. Definitions

To the extent they are not in conflict with the following, definitions in Appendix A are incorporated herein by reference. For purposes of this Appendix:

A. *"approved mental health or substance abuse treatment program and/or provider"* means an inpatient or outpatient program and/or provider which/who provides medical and other services to enrollees for a mental health or substance abuse condition, meets all state licensure and approval requirements, and has entered into an agreement with the coverage carrier to provide services as specified in this Appendix;

B. *"assessment"* means

1. determination by an assessment coordinator of the nature of the enrollee's condition (mental health and/or substance abuse), the need for treatment, the type of treatment required and referral to the most appropriate level of care; and,

2. for the substance abuse patient, the development of a continuing care treatment plan by the enrollee, the assessment coordinator, and the attending physician, if appropriate;

C. *"assessment coordinator"* means a qualified employee of a central diagnostic and referral agency (CDR) which has been selected and approved to provide assessment services. Assessment coordinators must meet Program standards for selection;

D. *"central diagnostic and referral agency"* or *"CDR"* means an approved agency which employs assessment coordinators designated to:

1. make all contractually-mandated face-to-face assessments for the development of substance abuse continuing care treatment plans;

2. make determinations regarding whether the patient's condition requires mental health and/or substance abuse treatment;

3. make referrals to panel providers;

4. provide short-term counselling (up to 2 visits); and

5. perform aftercare planning and follow-up.

In addition, the CDR may provide up to 3 short-term counselling sessions for employees, and communicate with Work/Family Representatives about assessment and referral activities relating to an employee, where appropriate and when authorized by the employee. The CDR will supply necessary information to the carrier about panel provider performance and selection and other utilization data and statistics as required, including evaluation using designated performance data of panel providers with whom the carrier contracts;

E. *"central review organization"* or *"CRO"* means a national organization which has been designated to provide the following functions:

1. confirm eligibility of the patient for mental health and/or substance abuse coverage under the Program;

2. authorize and approve inpatient and outpatient mental health treatment, outpatient substance abuse treatment and outpatient psychological testing;

3. monitor CDR performance;

4. exercise managed care protocols, with CDR assistance when appropriate, for those enrollees who require both mental health and substance abuse outpatient visits; and

5. evaluate panel providers and make contracting recommendations to the carrier, using designated performance standards;

F. *"clinical nurse specialist"* means a person who meets all of the following criteria: possesses a Master of Arts (MA), Master of Science (MS) or Master of Science in Nursing (MSN) degree from an accredited school of nursing; the Master's degree must be in psychiatric nursing or the individual must have 2,000 hours of clinical supervision post-Masters degree; must have a minimum of five years post-Masters degree clinical experience in the field of psychiatric mental health nursing at least two years of which were supervised by a Masters level psychiatric nurse (or the equivalent); possesses a license as a registered nurse in the jurisdiction in which the practice is to occur; be eligible for listing in an American Nursing Association Register of Certified Nurses in Advanced Practice as a clinical specialist in adult psychiatric mental health nursing or child/adolescent psychiatric nursing; and participates as a panel provider.

G. *"continuing care treatment plan"* means a document completed for substance abuse patients by an assessment coordinator at the conclusion of the assessment process. The continuing care treatment plan includes the recommended provider(s), and the type(s) and duration of treatment, and may be modified by the provider and the assessment coordinator in consultation during the course of treatment;

H. *"detoxification"* means inpatient treatment for

the physiologic stabilization of an enrollee who is undergoing acute withdrawal from an intoxicating substance. To be covered under this Program, such treatment must be provided by, or under the supervision of, a physician and through a facility approved to provide such care;

I. *"detoxification facility"* means a hospital or residential treatment facility which is a provider of detoxification services. Such facilities may offer substance abuse rehabilitation treatment subsequent to detoxifying an enrollee;

J. *"halfway house treatment"* means treatment provided under a semi-residential living arrangement to a substance abuse patient who requires a more structured living environment than outpatient treatment or partial hospitalization treatment would provide, but who does not require full-time residential treatment and care. It provides a controlled environment during the hours of the day the enrollee is not undergoing treatment or is not engaged in specific constructive activity (e.g., working, attending school);

K. *"inpatient care"* means treatment in:

1. a hospital;

2. a detoxification facility; or

3. a residential care facility;

L. *"mental disorder"* means any mental, emotional, or personality disorder classified as a mental disorder in the most recent edition of the "International Classification of Diseases, 9th Revision, Clinical Modification", including classification 305.1, but excluding alcohol and drug abuse as classified in categories 303.0 through 305.8;

M. *"outpatient facility"* means an administratively distinct governmental, other public, private, or independent unit or part of such unit that provides outpatient mental health or substance abuse services. The term includes centers for the care of adults or children such as hospitals, clinics, and partial hospitalization treatment centers. For mental health services, the definition includes Community Mental Health Centers as defined in the Federal Community Mental Health Centers Act of 1963, as amended;

N. *"outpatient treatment" or "visit"* (including intensive outpatient treatment) means a therapy session provided in an outpatient mental health or substance abuse treatment facility or by an individual mental health or substance abuse provider. All sessions between an individual patient and a provider in a single day, with a total duration of four (4) hours or less, are considered to be a single treatment or visit. If outpatient sessions with all providers in a given day total more than four (4) hours, such treatment shall be considered partial hospitalization;

O. *"panel provider"* means a mental health or substance abuse provider who has been selected and has agreed to provide services in accordance with the terms of participation established by the Program and has executed an agreement with the carrier;

P. *"partial hospitalization treatment"* means a semi-residential level of care for patients with mental health or substance abuse disorders who require coordinated, intensive, comprehensive and multidisciplinary treatment in a structured setting, but less than full-time hospitalization. The patient undergoes therapy for more than four (4) hours a day, and may receive additional services (e.g., meals, bed, recreation);

Q. *"psychiatrist"* means a physician who is board

eligible or board certified in psychiatry and licensed to practice medicine at the time and place services are rendered or performed;

R. *"psychologist"* means a person who possesses a doctor of philosophy (Ph.D.), doctor of education (Ed.D.), doctor of mental health (DMH.), or doctor of psychology (PsyD.) degree from a regionally accredited university, has a minimum of five years of post-doctoral clinical experience (at least two of which were supervised by a licensed clinical psychologist or by a board-qualified psychiatrist), possesses a valid license for the independent practice of psychology at the highest level recognized by the state in which practice is to occur, is eligible for listing in the National Register of Health Care Providers in Psychology, and participates as a panel provider;

S. *"registration"* means contact by the provider with the CRO to inform the agency that the enrollee is commencing a course of mental health or substance abuse treatment, to confirm eligibility under the Program, and to obtain any necessary approvals or authorizations;

T. *"residential care facility"* means an approved inpatient facility which operates twenty-four (24) hours a day, seven (7) days a week for the provision of residential mental health and/or substance abuse treatment;

U. *"social worker"* means a person who possesses a master in social work (MSW), master of science in social work (MSSW), or doctor of social work (DSW) from a graduate school of social work accredited by the Council on Social Work Education, has a minimum of five years of post-masters or post-doctoral degree clinical social work experience (at least two of which were supervised by a licensed clinical social worker), possesses a valid license or certificate for the

independent practice of social work at the highest level recognized by the state in which practice is to occur, is eligible for listing in the National Association of Social Work Register of Clinical Social Workers and/or the National Register of Mental Health Care Providers in Social Work, and participates as a panel provider; and

V. *"substance abuse"* means alcohol or drug dependence as classified in categories 303.0 through 305.8 (except 305.1) of the most current edition of the "International Classification of Diseases, 9th Revision, Clinical Modification."

II. Terms and Conditions of Coverage

A. Conditions of Benefit Payment

An enrollee is eligible for benefits for covered expenses incurred during an approved course of treatment only if the following conditions are met:

1. Services must be provided on or after the enrollee's effective date of coverage under the Program and this Appendix.

2. Benefits must be available within the benefit period (see II.B., below).

3. a. In order to be covered in full under the Program, all covered services rendered in the care and treatment of mental health and substance abuse related disorders must be delivered by panel providers, except in the case of emergency which is subject to the provisions of Section IV.B.1. of this Appendix. The panel may be comprised of the following types of facilities and providers:

(1) Hospitals

(2) Outpatient facilities

(3) Detoxification facilities

(4) Residential care facilities

(5) Partial hospitalization facilities

(6) Halfway houses

(7) Skilled nursing facilities

(8) Psychiatrists

(9) Psychologists

(10) Social workers

(11) Clinical nurse specialists

(12) Outpatient Clinics

b. In addition, if due to the unavailability of specialized services, the enrollee needs referral to a non-panel provider, then, in such cases only, non-panel providers will be covered in full subject to App. B, II.B.4.a. and b., provided the enrollee is referred by the CRO or referred by a panel provider and the services are authorized, in advance, by the CRO.

c. Services provided in accordance with App. B, IV.B.3. are covered in full.

4. Benefits for outpatient treatment rendered by a clinical nurse specialist, social worker, or psychologist as an independent practitioner are available only if such practitioner participates as a panel provider.

5. In order to be eligible for benefits for residential and/or halfway house substance abuse treatment, the enrollee must be assessed by an assessment coordinator from a designated CDR. Expenses for days of treatment during an admission to a residential treatment facility or halfway house program will not be covered prior to the time assessment and a

treatment plan are obtained from an assessment coordinator. If such coordinator makes a determination of substance abuse and the assessment specifies a level of care which includes residential or halfway house treatment, such treatment will be covered subject to other Program provisions.

6. Detoxification admissions must be reported to the CRO within twenty-four (24) hours of admission. In such cases, the CRO will notify the CDR assigned to that location. The CDR's assessment coordinator will contact the enrollee during or after the detoxification and develop a plan for treatment subsequent to detoxification (continuing care treatment plan). Detoxification confinements longer than three (3) days must be approved by the CDR or CRO.

7. Mental health inpatient services and admissions must be authorized by the CRO within 24 hours of admission.

8. Partial hospitalization treatment and outpatient mental health and substance abuse treatment must be registered with the CRO. This procedure does not apply to outpatient treatment services rendered as part of an authorized substance abuse continuing care treatment plan.

9. Admission to a skilled nursing facility must be for the treatment of a mental health condition, must be authorized by the CRO and must immediately follow a confinement for the same condition.

10. Benefits are payable subject to the provisions and limitations of the Program, regardless of the treatment plan developed through assessment.

11. Benefits payable under this Appendix for an enrollee eligible for Medicare shall be paid in accordance with the terms and conditions pertaining to Medicare as specified in Appendix A, Section II.E.

B. Benefit Period

1. a. An enrollee is eligible for a maximum of forty-five (45) days of covered inpatient mental health care within the benefit period set forth in Appendix A, II.B.1.

b. An enrollee is eligible for a maximum of forty-five (45) days of covered inpatient substance abuse care including detoxification within the benefit period set forth in Appendix A, II.B.1.

c. Each day of care utilized for inpatient substance abuse treatment is charged against the unused portion of the 45-day inpatient mental health benefit period. Likewise, each day of inpatient mental health care is charged against the unused portion of the forty-five (45) day inpatient substance abuse treatment period.

2. a. An enrollee is eligible for a maximum of ninety (90) days of care in a partial hospitalization treatment facility within the benefit period set forth in Appendix A, II.B.1.

b. Each day of inpatient care for mental health or substance abuse treatment reduces by two (2) the number of days of care available for mental health or substance abuse partial hospitalization treatment. Each two (2) days of partial hospitalization treatment reduces by one (1) the number of days of care available for inpatient care.

3. a. An enrollee is eligible for a maximum of ninety (90) days of mental health care in an approved skilled nursing facility within the benefit period set forth in Appendix A, II.B.1.

b. Each day of inpatient care for mental health treatment within the benefit period reduces by two (2) the number of available days for skilled nursing facility care. Each two (2) days of medical care for the

treatment of mental disorders in a skilled nursing facility reduces by one (1) the number of days of inpatient medical care available for the treatment of mental health related disorders in a hospital.

4. a. An enrollee is eligible for twenty (20) outpatient mental health visits at 100% coverage and an additional fifteen (15) visits at 75% coverage for outpatient mental health treatment for both facility and professional services per calendar year.

b. An enrollee is eligible for 35 outpatient substance abuse visits at 100% coverage for both facility and professional services per calendar year.

c. When an enrollee requires mental health and/or substance abuse outpatient treatment, the CRO and/or CDR (where appropriate) shall exercise managed care protocols after a total of six (6) outpatient visits and shall monitor the treatment plan(s) to assure appropriate coordinated care.

d. Anorexia Nervosa, Bulimia and other conditions covered by App. B. which are appropriate for case management, may be case managed by the CRO utilizing the case management procedures described in Appendix A, III.K. with any alternative benefit plan being limited to the dollar pool created using the 45-day inpatient benefit described in this section.

e. Outpatient psychological testing is not considered "treatment" and is not charged against the outpatient visit maximum.

f. Each visit by one or more members of an enrollee's family for family counselling counts as one (1) visit applicable to the enrollee's annual outpatient treatment maximum.

5. An enrollee shall be eligible for a lifetime maximum of ninety (90) days of substance abuse treatment in a panel halfway house.

6. A new benefit period begins only when the enrollee has been out of care (as described below) for a continuous period of sixty (60) days. Accordingly, there must be a lapse of at least sixty (60) consecutive days between the date of the enrollee's last discharge from any hospital, skilled nursing facility, residential care facility or any other facility to which the 60-day benefit renewal period of this Appendix and Appendix A apply (see Appendix A, II.B.4. for example), and the date of the next admission, irrespective of the reason for the last admission and irrespective of whether or not benefits are paid as a consequence of such admission. Further, if subsequent to such discharge, the enrollee is a patient in a psychiatric or substance abuse partial hospitalization program, a substance abuse halfway house, a hospice program or is receiving home health care visits, the 60-day renewal period is broken, whether or not benefits are paid as a result of receipt of such services.

C. Non-Completion of the Substance Abuse Treatment Plan by an Employee

Employees entering detoxification, residential or halfway house treatment facilities are required to receive a continuing care treatment plan from the assessment coordinator as part of the assessment process. Non-completion of the portions of such treatment plan which are covered services (including outpatient and partial hospitalization programs), will result in the following actions being taken:

1. The carrier will send a letter to the employee and to the appropriate GM Medical Director notifying them of the failure to complete the treatment plan.

2. The letter will notify the employee that if a second continuing care treatment plan is established and not completed, a maximum of up to a $500 overpayment will have occurred as a result of medical expenses incurred on the employee's behalf.

3. If the employee fails to complete a second continuing care treatment plan, the carrier will notify the employee and the GM Medical Director of such failure and of any overpayment. The provisions of Article I, Section 9, of the Program will apply. However, if the employee establishes to the satisfaction of the GM Medical Director that such employee is motivated towards recovery and that the treatment plan was discontinued for a satisfactory reason, then such overpayment will not have occurred.

4. For each subsequent non-completion of a treatment plan, the maximum overpayment amount will increase in increments of $250, up to a maximum overpayment amount of $1,000 for each occurrence.

III. Coverages

A. Inpatient Care (Mental Health and Substance Abuse)

1. Inpatient mental health and substance abuse care is subject to the benefit period set forth in App. B, II.B.1.

2. Inpatient services by non-panel providers are subject to the provisions of Sections IV.B.2. (for mental health treatment) and IV.B.4. (for substance abuse treatment) of this Appendix.

3. Coverage includes the following inpatient services when provided and billed by the facility:

a. semiprivate room, including general nursing services, meals and special diets;

b. laboratory and pathology examinations related to the treatment received in the facility;

c. drugs, biologicals, solutions and supplies related to the treatment received and used while the enrollee is in the facility;

d. supplies and use of equipment required in the care and treatment of the enrollee's condition;

e. professional and ancillary services, including those of other trained staff, necessary for patient care and treatment, including diagnostic examinations;

f. individual and group therapy;

g. counselling for family members;

h. electroshock therapy for a mental health patient, when administered by, or under the supervision of, a physician and anesthesia for electroshock therapy when administered by, or under the supervision of, a physician other than the physician giving the electroshock therapy;

i. supplies and use of equipment required for detoxification or rehabilitation of substance abuse patients; and

j. psychological testing administered by a panel psychologist when medically indicated and when directly related to the organic medical or functional condition or when it has an integral role in rehabilitative or psychiatric treatment programs.

4. Coverage for medical care for the treatment of mental disorders is limited to (i) individual psychotherapeutic treatment, (ii) family counselling for the enrollee's family, (iii) group psychotherapeutic treatment, (iv) psychological testing when prescribed or performed by a physician, and (v) electroshock therapy and anesthesia for electroshock therapy.

B. Skilled Nursing Facility Care (Mental Health Only)

1. Mental health care in a skilled nursing facility

is subject to the benefit period set forth in App. B, II.B.3.

2. Coverage includes services as described in A.3., above, and medical care. Medical care in a skilled nursing facility is limited to a maximum of two (2) physician visits per week.

C. Halfway House Care (Substance Abuse Only)

1. Substance abuse care in a halfway house is subject to the benefit period set forth in App. B, II.B.5.

2. Coverage includes the following halfway house services when provided and billed by the facility:

a. bed and board;

b. intake evaluation;

c. up to one (1) routine drug screen per week;

d. individual and group therapy or counselling; and

e. counselling for family members.

D. Partial Hospitalization (Mental Health and Substance Abuse)

1. Mental health and substance abuse care in partial hospitalization treatment facilities is subject to the benefit period set forth in App. B, II.B.2.

2. Inpatient services by non-panel providers are subject to the provisions of Sections IV.B.2. (for mental health treatment) and IV.B.4. (for substance abuse treatment) of this Appendix.

3. Coverage for treatment in a partial hospitalization treatment facility includes the following services when, provided and billed by the facility:

a. laboratory examinations related to the treatment received in the facility;

b. prescribed drugs, biologicals, solutions and supplies related to the treatment received, including, for substance abuse, drugs to be taken home;

c. supplies and use of equipment required in the care of the enrollee's condition;

d. professional and ancillary services including those of other trained staff, necessary for the treatment of ambulatory enrollees, including diagnostic examinations;

e. individual and group therapy;

f. psychological testing;

g. counselling for family members;

h. electroshock therapy for a mental health patient when administered by, or under the supervision of, a physician and anesthesia for electroshock therapy when administered by, or under the supervision of, a physician other than the physician giving the electroshock therapy; and

i. an enrollee admitted to partial hospitalization treatment also is entitled to a semiprivate room, general nursing services, meals and special diets.

E. Outpatient Care (Mental Health and Substance Abuse)

1. Outpatient mental health and substance abuse treatment is subject to the benefit periods set forth in App. B, II.B.4.a. and b.

2. Covered outpatient mental health and substance abuse treatment includes the following:

a. Services provided and billed by facilities

(1) professional and other staff and ancillary services made available by facilities to ambulatory patients;

(2) prescribed drugs and medications dispensed by a facility in connection with treatment received at the facility; and

(3) electroshock therapy for a mental health patient, when administered by, or under the supervision of, a physician and anesthesia for electroshock therapy when administered by, or under the supervision of, a physician other than the physician giving the electroshock therapy.

b. Services provided and billed by facilities or professional providers

(1) Individual psychotherapeutic treatments of less than twenty (20) minutes when provided in an outpatient mental health facility approved by the carrier.

(2) Individual psychotherapeutic treatments of a duration of twenty (20) minutes or more (all sessions with a given provider on a single day, with a total duration of four (4) hours or less, shall constitute a single "visit" and be reimbursed as a single unit of service).

(a) Benefits will be paid as set forth in App. B, II.B.4.a. for outpatient mental health services at 100% of the panel reimbursement amount for the first twenty (20) outpatient mental health treatments and 75% for the next fifteen (15) treatments per calendar year when provided by panel providers. Services rendered by non-panel providers as provided in App. B, II.A.3.b. and in App. B, IV.B.3. shall be covered in full. Otherwise, when outpatient mental health services are received from a non-panel provider without referral, such services must be rendered by physicians, and will

be reimbursed at 50% of the amount payable to panel providers for comparable services. Such reimbursement will be made only to the primary enrollee.

(b) Benefits will be paid as set forth in App. B, II.B.4.b. for individual outpatient substance abuse treatment at 100% of the panel reimbursement amount for 35 visits per calendar year when provided by panel providers. No benefits are payable for treatment by non-panel providers, except when services are rendered by non-panel providers as provided in App. B, II.A.3.b. in which case such treatment shall be covered in full.

(3) Group mental health and substance abuse treatment is covered subject to the payment provisions in subsections (a) or (b) above.

(4) Family counselling to members of the patient's family is covered subject to the payment provisions in subsections (a) or (b) above.

3. Outpatient psychological testing is covered only when preauthorized by the CRO and performed by a panel provider. Such testing is not considered treatment and therefore is not subject to the benefit period maximum.

4. Arrangements with the CDRs:

a. For inpatient substance abuse care, assessments, referrals and continuing care treatment follow-up are mandatory and do not reduce the enrollee's outpatient visit entitlement; and

b. voluntary utilization of the CDR for outpatient mental health or substance abuse assessment and referral, does not count as an outpatient visit.

IV. Limitations and Exclusions

A. Panel providers are required to contact the CRO to verify eligibility and receive prior authorization of all non-emergency inpatient and outpatient mental health and substance abuse services.

B. Coverage will be limited to the following when rendered by or through non-panel providers:

1. Emergency services. Providers must contact the CRO within 24 hours of the inpatient admission or outpatient treatment for authorization of such services.

2. Non-emergency services. Benefits for mental health services provided by non-panel providers without referral by a panel provider are limited to 50% of the panel reimbursement amount. The carrier will make payment to the primary enrollee. Payment to the provider, including any balance, is the responsibility of the enrollee.

3. Outpatient services. Services provided by non-panel physicians (e.g., internists or general practitioners) must be registered with the CRO after the first visit and are limited to a maximum of one (1) visit.

4. Substance abuse treatment. Coverage for substance abuse treatment does not include services provided by non-panel providers except for emergency detoxification.

C. Coverage is not available for services for treatment of mental disorders which, according to generally accepted medical standards, are not amenable to favorable modification, except that coverage is available for the period necessary to determine that the disorder is not amenable to favorable modification, or for the period necessary for the evaluation and diagnosis of mental deficiency or retardation.

D. Coverage for substance abuse treatment does not include professional services such as dispensing methadone, testing urine specimens, or performing physical or x-ray examinations or other diagnostic procedures unless therapy, counselling or psychological testing are provided on the same day.

E. Coverage does not include family counselling which is rendered by a provider other than the provider for the family member in the course of treatment. Furthermore, reimbursement will be provided only for services rendered to enrollees covered under the General Motors Health Care Program.

F. Coverage does not include diversional therapy.

G. Coverage does not include psychological testing if used as part of, or in connection with, vocational guidance, training or counselling.

H. General Limitations and Exclusions under Section IV. and subsections II.C., E., G., and H. of the Terms and Conditions of Appendix A are equally applicable under this Appendix.

APPENDIX C

DENTAL COVERAGE

I. Enrollment Classifications

Dental coverage for a primary enrollee shall include coverage for secondary enrollees as defined in the Program.

II. Description of Benefits

Dental benefits will be payable, subject to the conditions herein, if an enrollee incurs a covered dental expense.

III. Covered Dental Expenses

Covered dental expenses are the usual charges of a dentist which an enrollee is required to pay for services and supplies which are necessary for treatment of a dental condition, but only to the extent that such charges are reasonable and customary charges, as herein defined, for services and supplies customarily employed for treatment of that condition, and only if rendered in accordance with accepted standards of dental practice. Such expenses shall be only those incurred in connection with the following dental services which are performed, except as otherwise provided in Section VII. B., by a licensed dentist and which are received while coverage is in force.

A. The following covered dental expenses shall be paid at 100 percent of the reasonable and customary charge:

1. Routine oral examinations and prophylaxes (scaling and cleaning of teeth), but not more than twice each in any calendar year. Three cleanings per calendar year will be allowed if there is a documented history of periodontal disease. Four cleanings per calendar year will be covered for two full calendar years following periodontal surgery.

2. Topical application of fluoride provided that such treatment shall be a covered dental expense only for enrollees under 20 years of age, unless a specific dental condition makes such treatment necessary.

3. Space maintainers that replace prematurely lost teeth for children under 19 years of age.

4. Emergency palliative treatment.

B. The following covered dental expenses shall be paid at 90 percent of the reasonable and customary charge:

1. Dental x-rays, including:

a. full mouth x-rays, once in any period of five (5) consecutive calendar years.

b. supplementary bitewing x-rays once in any calendar year, and

c. such other dental x-rays, including but not limited to those specified in a. and b. above, as are required in connection with the diagnosis of a specific condition requiring treatment.

2. Extractions.

3. Oral surgery.

4. Amalgam, silicate, acrylic, synthetic porcelain, composite, and other American Dental Association (ADA)-approved direct restorative materials that meet Program standards and are used to restore diseased or accidentally injured teeth.

5. General anesthetics and intravenous sedation when medically necessary and administered in connection with oral or dental surgery.

6. Treatment of periodontal and other diseases of the gums and tissues of the mouth.

7. Endodontic treatment, including root canal therapy.

8. Injection of antibiotic drugs by the attending dentist.

9. Repair or recementing of crowns, inlays, onlays, bridgework, or dentures; or relining or rebasing of dentures more than six (6) months after the installation of an initial or replacement denture, but not more than one relining or rebasing in any period of three (3) consecutive calendar years.

10. Inlays, onlays, gold fillings, or crown restorations to restore diseased or accidentally injured teeth, but only when the tooth, as a result of extensive caries or fracture, cannot be restored with an amalgam, silicate, acrylic, synthetic porcelain, composite or other American Dental Association (ADA)-approved materials that meet Program standards and are used for direct filling restoration.

11. Cosmetic bonding of eight (8) front teeth for children 8 through 19 years of age if required because of severe tetracycline staining, severe fluorosis, hereditary opalescent dentin, or amelogenesis imperfecta, but not more frequently than once in any period of three (3) consecutive calendar years.

C. The following covered dental expenses shall be paid at 50 percent of the reasonable and customary charge:

1. Initial installation of fixed bridgework (including inlays and crowns as abutments).

2. Initial installation of partial or full removable dentures (including precision attachments and any adjustments during the six (6) month period following installation).

3. Replacement of an existing partial or full removable denture or fixed bridgework by a new denture or by new bridgework, or the addition of teeth to an existing partial removable denture or to bridgework, but only if satisfactory evidence is presented that:

a. the replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed;

b. the existing denture or bridgework cannot be made serviceable and, if it was installed under this dental coverage, at least five (5) years have elapsed prior to its replacement; or,

c. the existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within twelve (12) months from the date of initial installation of the immediate temporary denture.

Normally, dentures will be replaced by dentures but if a professionally adequate result can be achieved only with bridgework, such bridgework will be a covered dental expense.

4. Orthodontic procedures and treatment (including related oral examinations) consisting of surgical therapy, appliance therapy, and functional/myofunctional therapy (when provided by a dentist in conjunction with appliance therapy) for enrollees under 19 years of age, provided, however, that benefits will be paid after attainment of age 19 for continuous treatment which began prior to such age.

IV. Maximum Benefit For Other Than Accidental Dental Injury

The maximum benefit payable for all covered dental expenses incurred during a calendar year commencing January 1 and ending the following December 31

(except for services described in Section III. C.4. above and in Section XI below) shall be $1,600 ($1,700 effective January 1, 2005) for each enrollee.

For covered dental expenses in connection with orthodontics including related oral examinations, described in Section III. C.4. above, the maximum benefit payable shall be $1,800 ($2,000 effective January 1, 2005), during the lifetime of each enrollee, with a maximum of $1,800 applicable to covered dental expenses for services provided prior to January 1, 2005.

V. Pre-Determination of Benefits

If a course of treatment can reasonably be expected to involve covered dental expenses of $200 or more, a description of the procedures to be performed and an estimate of the dentist's charges must be filed with the carrier prior to the commencement of the course of treatment.

The carrier will notify the enrollee and the dentist of the benefits certified as payable based upon such course of treatment. In determining the amount of benefits payable, consideration will be given to alternate procedures, services, or courses of treatment that may be performed for the dental condition concerned in order to accomplish the desired result. The amount included as certified dental expenses will be the appropriate amount as provided in Sections III. and IV., determined in accordance with the limitations set forth in Section VI.

If a description of the procedures to be performed and an estimate of the dentist's charges are not submitted in advance, the carrier reserves the right to make a determination of benefits payable taking into account alternate procedures, services, or courses of treatment, based on accepted standards of dental practice. To the extent verification of covered dental expenses cannot reasonably be made by the carrier, the benefits for the

course of treatment may be for a lesser amount than would otherwise have been payable.

This pre-determination requirement will not apply to courses of treatment under $200 or to emergency treatment, routine oral examinations, x-rays, prophylaxes, and fluoride treatments.

VI. Limitations

A. Restorative

1. Gold, Baked Porcelain Restorations, Crowns and Jackets

If a tooth can be restored with a material such as amalgam, payment of the applicable percentage of the charge for that procedure will be made toward the charge for another type of restoration selected by the enrollee and the dentist. The balance of the treatment charge remains the responsibility of the enrollee.

2. Reconstruction

Payment based on the applicable percentage will be made toward the cost of procedures necessary to eliminate oral disease and to replace missing teeth. Appliances or restorations necessary to increase vertical dimension or restore the occlusion are considered optional and their cost remains the responsibility of the enrollee.

B. Prosthodontics

1. Partial Dentures

If a cast chrome or acrylic partial denture will restore the dental arch satisfactorily, payment of the applicable percentage of the cost of such procedure will be made toward a more elaborate or precision appliance that enrollee and dentist may choose to use, and the balance of the cost remains the responsibility of the enrollee.

2. Complete Dentures

If, in the provision of complete denture services, the enrollee and dentist decide on personalized restorations or specialized techniques as opposed to standard procedures, payment of the applicable percentage of the cost of the standard denture services will be made toward such treatment and the balance of the cost remains the responsibility of the enrollee.

3. Replacement of Existing Dentures

Replacement of an existing denture will be a covered dental expense only if the existing denture is unserviceable and cannot be made serviceable. Payment based on the applicable percentage will be made toward the cost of services which are necessary to render such appliances serviceable. Replacement of prosthodontic appliances will be a covered dental expense only if at least five (5) years have elapsed since the date of the initial installation of that appliance under this dental coverage, except as provided in Section III. C.3. above.

C. Orthodontics

1. If orthodontic treatment is terminated for any reason before completion, the obligation to pay benefits will cease with payment to the date of termination. If such services are resumed, benefits for the services, to the extent remaining, shall be resumed.

2. The benefit payment for orthodontic services shall be only for months that coverage is in force.

VII. Exclusions

Covered dental expenses do not include and no benefits are payable for:

A. charges for services for which benefits are provided under other health care coverages;

B. charges for treatment by other than a dentist, except that scaling or cleaning of teeth and topical application of fluoride may be performed by a licensed dental hygienist if the treatment is rendered under the supervision and guidance of the dentist;

C. charges for veneers or similar properties of crowns and pontics placed on, or replacing teeth, other than the ten upper and lower anterior teeth;

D. charges for services or supplies that are cosmetic in nature (except as provided in Section III.B.11.), including charges for personalization or characterization dentures;

E. charges for prosthetic devices (including bridges), crowns, inlays, and onlays, and the fitting thereof which were ordered while the enrollee was not covered for dental coverage or which were ordered while the enrollee was covered for dental coverage but are finally installed or delivered to such enrollee more than sixty (60) days after termination of coverage;

F. charges for the replacement of a lost, missing, or stolen prosthetic device;

G. charges for failure to keep a scheduled visit with the dentist;

H. charges for replacement or repair of an orthodontic appliance;

I. charges for services or supplies which are compensable under a Workers Compensation or Employer's Liability Law;

J. charges for services rendered through a medical department, clinic, or similar facility provided or maintained by the enrollee's employer;

K. charges for services or supplies for which no charge is made that the enrollee is legally obligated to pay or for which no charge would be made in the absence of dental coverage;

L. charges for services or supplies which are not necessary, according to accepted standards of dental practice, or which are not recommended or approved by the attending dentist;

M. charges for services or supplies which do not meet accepted standards of dental practice, including charges for services or supplies which are experimental in nature;

N. charges for services or supplies received as a result of dental disease, defect or injury due to an act of war, declared or undeclared;

O. charges for services or supplies from any governmental agency which are obtained by the enrollee without cost by compliance with laws or regulations enacted by any federal, state, municipal, or other governmental body;

P. charges for any duplicate prosthetic device or any other duplicate appliance;

Q. charges for any services to the extent for which benefits are payable under any health care program supported in whole or in part by funds of the federal government or any state or political subdivision thereof;

R. charges for the completion of any insurance forms;

S. charges for sealants and for oral hygiene and dietary instruction;

T. charges for a plaque control program;

U. charges for implantology; or

V. charges for services or supplies related to periodontal splinting.

VIII. Proof of Loss

The carrier reserves the right at its discretion to accept, or to require verification of, any alleged fact or assertion pertaining to any claim for dental benefits. As part of the basis for determining benefits payable, the carrier may require x-rays and other appropriate diagnostic and evaluative materials.

IX. Alternative Dental Plans

The Corporation will make arrangements for eligible enrollees to be afforded the opportunity to enroll for dental coverage under approved and qualified alternative dental plans, instead of the dental coverage hereunder; provided, however, that the Corporation's contributions toward coverage under such alternative dental plans shall not be greater than the amount the Corporation would have contributed for dental coverage hereunder.

X. Definitions

As used in this Appendix, the terms identified below have the meanings stated.

A. The term *"dentist"* means a legally licensed dentist practicing within the scope of such dentist's license. As used herein, the term "dentist" also includes a legally licensed physician authorized by license to perform the particular dental services such physician has rendered.

B. The term *"reasonable and customary charge"* means the actual fee charged by a dentist for a service rendered or supply furnished but only to the extent that the fee is reasonable taking into consideration the following:

1. the usual fee which the individual dentist most frequently charges the majority of patients for a service rendered or a supply furnished;

2. the prevailing range of fees (as defined in the Administrative Manual(s)) charged in the same area by dentists of similar training and experience for the service rendered or supply furnished; and,

3. unusual circumstances or complications requiring additional time, skill, and experience in connection with the particular dental service or procedure.

As used in this Appendix, "reasonable and customary charge" also refers to scheduled or other contracted amounts of payment used by carriers with participating provider arrangements.

The carrier is responsible for determining the appropriate reasonable and customary charge for a given provider and service or material, and such determination shall be conclusive.

C. The term *"area"* means a metropolitan area, a county or such greater area as is necessary to obtain a representative cross-section of dentists rendering such services or furnishing such supplies.

D. The term *"course of treatment"* means a planned program of one or more services or supplies, whether rendered by one or more dentists, for the treatment of a dental condition diagnosed by the attending dentist as a result of an oral examination. The course of treatment commences on the date a dentist first renders a service to correct or treat such diagnosed dental condition.

E. The term *"orthodontic treatment"* means preventive and corrective treatment of all those dental irregularities which result from the anomalous growth and development of dentition and its related anatomic

structures or as a result of accidental injury and which require repositioning (except for preventive treatment) of teeth to establish normal occlusion.

F. The term "ordered" means, in the case of dentures, that impressions have been taken from which the denture will be prepared; and, in the case of fixed bridgework, restorative crowns, inlays, or onlays, that the teeth which will serve as abutments or support or which are being restored have been fully prepared to receive, and impressions have been taken from which will be prepared the bridgework, crowns, inlays or onlays.

XI. Accidental Dental Injury

Payments for covered dental services related to the repair of accidental injury to sound natural teeth due to a sudden unexpected impact from outside the mouth will not count against the annual benefit limit or the lifetime orthodontic limit. Regular copayments will be required for all such services.

APPENDIX D

VISION COVERAGE

I. Enrollment Classifications

Vision coverage for a primary enrollee shall include coverage for secondary enrollees as defined in the Program.

II. Description of Benefits

Vision benefits will be payable, subject to the conditions herein, if an enrollee incurs a covered vision expense.

III. Definitions

As used herein:

A. *"Ophthalmologist"* means any licensed doctor of medicine or osteopathy legally qualified to practice medicine, including the diagnosis, treatment, and prescribing of lenses related to conditions of the eye.

B. *"Optometrist"* means any person legally licensed to practice optometry as defined by the laws of the state in which the service is rendered.

C. *"Optician"* means one who makes or sells eyeglasses prescribed by an ophthalmologist or optometrist to cure or correct defects in the eyes, and grinds the lenses or has them ground according to prescription, fits them into a frame, and adjusts the frame to fit the face.

D. *"Participating provider"* means an ophthalmologist, optometrist, or optician who has signed an agreement with the carrier covering reimbursement, quality, service standards and other terms and conditions connected with providing covered vision services to enrollees.

E. *"Nonparticipating provider"* means an ophthalmologist, optometrist, or optician who has not

signed an agreement with the carrier covering reimbursement, quality, service standards and other terms and conditions connected with providing covered vision services to enrollees.

F. *"Reasonable and customary charge"* means the actual amount charged by an ophthalmologist, optometrist, or optician for a service rendered or materials furnished but only to the extent that the amount is reasonable, taking into consideration the following:

1. the usual amount which the individual provider most frequently charges the majority of patients or customers for a similar service rendered or materials furnished;

2. the prevailing range of charges made in the same area by providers with similar training and experience for the service rendered or materials furnished;

3. unusual circumstances or complications requiring additional time, skill, and experience in connection with the particular service rendered or materials furnished.

As used in this Appendix, "reasonable and customary charge" also refers to scheduled or other contracted amounts of payment used by carriers with participating provider arrangements.

The carrier is responsible for determining the appropriate reasonable and customary charge for a given provider and service or material, and such determination shall be conclusive.

G. *"Contact lenses"* means ophthalmic corrective lenses, as prescribed by an ophthalmologist or optometrist, to be fitted directly to the enrollee's eyes.

H. *"Lenses"* means ophthalmic corrective lenses, as prescribed by an ophthalmologist or optometrist, to be fitted into a frame.

I. *"Frame"* means a standard eyeglass frame into which two lenses are fitted.

J. *"Covered vision expense"* means the reasonable and customary charges for vision care services and materials, as described in Section IV., when provided by ophthalmologists, optometrists, and opticians for each enrollee.

K. *"Corrective eye surgery"* means a surgical procedure used to alter the cornea or shape/surface of the eye in order to improve visual accuity, correct vision conditions such as myopia, hyperopia or astigmatism and reduce or eliminate the reliance on eyewear. Such surgeries can include, but are not necessarily limited to, Laser-assisted In-Situ Keratomileusis (LASIK), PhotoRefractive Keratectomy (PRK) and Radial Keratotomy (RK).

IV. Benefits

Benefits will be paid for the covered vision expenses described in A., B., and C. below, less any copayment as described in D. below.

A. Vision Examinations:

1. Refraction, including case history, coordinating measurements, and tests;

2. The prescription of glasses where indicated; and

3. Examination by an ophthalmologist, upon referral by an optometrist, within 60 days of a vision examination by the optometrist.

B. Lenses and Frames:

When lenses are prescribed by an ophthalmologist or optometrist, the necessary materials and professional services connected with the ordering, preparation, fitting, and adjusting of:

1. Lenses (single vision, bifocals, trifocals, lenticular). If the enrollee selects lenses, the size of which results in an additional charge, only the reasonable and customary charge for normal size lenses of the same material and prescription will be considered a covered vision expense. If the enrollee selects photochromic lenses or lenses with a tint other than Number 1 or Number 2, only the reasonable and customary charge for clear lenses of the same material and prescription will be considered a covered vision expense.

2. Contact lenses following cataract surgery, or when visual acuity cannot be corrected to 20/70 in the better eye except by their use, or when medically necessary due to keratoconus, irregular astigmatism or irregular corneal curvature. If contact lenses are prescribed for any other reason, $80 is the maximum amount that will be considered a covered vision expense.

3. Frames. If frames are obtained from a participating provider, the enrollee may make a selection from the display shown by the participating provider and there will be no out-of-pocket expense to the enrollee other than as described under "Copayments". If the enrollee obtains frames from a nonparticipating provider, $24 is the maximum amount that will be considered a covered vision expense.

C. Corrective Eye Surgery: Effective January 1, 2004, corrective eye surgery performed by an ophthalmologist will become a covered service. Coverage includes any related pre and post-surgical professional services, facility expense and medically

necessary supplies. Coverage is subject to the following provisions:

1. An enrollee may not receive benefits for both corrective eye surgery and for frames and/or lenses (including contact lenses) in the same calendar year;

2. Upon proof of payment to the corrective eye surgery provider, the carrier will reimburse the primary enrollee for covered expense, up to the lesser of the charges or the maximum benefit of $295.00 in any four (4) year period; and

3. An enrollee receiving benefits for corrective eye surgery in any one calendar year will be ineligible for lens (including contact lens) and/or frame benefits for that year and three (3) subsequent years. For example, an enrollee undergoing corrective eye surgery in 2004 would be eligible for lens and/or frame benefits in 2008. Such enrollees will be eligible for benefits for an annual exam, and will have access to the participating provider fee schedule for non-covered services and for lenses and/or frames for which no benefits are payable.

D. Copayments:

For each enrollee, there is a $7.00 copayment applicable to the covered vision expense for each vision examination and a $10.00 copayment for the combined covered vision expenses for lenses, contact lenses, and frames. The total copayment for each enrollee, during a calendar year, will not exceed $17.00.

V. Frequency Limitations

For each enrollee, there are the following limitations on the frequency with which charges for certain services and materials will be considered covered vision expenses:

Vision Examination	—	Once during a calendar year, except as provided in Section IV.A.3.
Lenses and Contact Lenses	—	Once during a calendar year, except as provided in Section IV.C.
Frames	—	Once during two consecutive calendar years, except as provided in Section IV.C.

The limitations on lenses, contact lenses, and frames apply whether or not they are a replacement of lost, stolen, or broken lenses, contact lenses, or frames.

VI. Exclusions

A. Any lenses which do not require a prescription;

B. Medical or surgical treatment of the eye, except as provided in Section IV.C.;

C. Drugs or any other medication;

D. Procedures determined by the carrier to be special or unusual, such as, but not limited to, orthoptics, vision training, subnormal vision aids, aniseikonic lenses, and tonography;

E. Vision examinations or materials furnished for any condition, disease, ailment, or injury arising out of or in the course of employment;

F. Vision examinations performed and lenses and frames ordered:

1. before the enrollee became covered for this coverage;

2. after the termination of the enrollee's coverage;

3. to the extent that they are obtained without cost to the enrollee.

VII. Vision Network

A. The carrier has established a network of participating providers who agree to accept reimbursement according to a schedule for the covered vision services and materials described in Section IV. A. and B. without enrollee copayments.

B. If an enrollee uses a participating provider to obtain covered services, the carrier will reimburse the provider, without enrollee copayment, as specified below:

1. the scheduled amount (which shall be payment in full) for eye examinations; normal-size clear, Number 1 or Number 2 tinted lenses; and medically necessary contact lenses (see Section IV. B.1. and 2.);

2. the scheduled amount (which shall be payment in full) for eyeglass frames with a retail value of $80.00 or less. If an eyeglass frame with a retail value greater than $80.00 is selected, the enrollee will be responsible for the discounted price (participating providers discount frames with the retail cost in excess of $80.00), less $24.00; and

3. the scheduled amount of $65.00 for contact lenses, which do not meet the criteria in Section IV.B.2. The enrollee will be responsible for any amount greater than $80.00.

C. If an enrollee resides 25 miles or less from a participating provider but obtains covered services from a non-participating provider (other than an ophthalmologist) the carrier will reimburse the enrollee the scheduled amounts. The enrollee will be responsible for paying the provider, including any remaining balance. Reimbursement to the enrollee for covered

services received from non-participating ophthalmologists will be made at the reasonable and customary amount, less the enrollee copayment (see Section IV. D.).

D. If an enrollee resides more than 25 miles from a participating provider and obtains covered services from a non-participating provider (including an ophthalmologist), the carrier will reimburse the enrollee in accordance with Section IV. above.

MISCELLANEOUS HEALTH CARE PROGRAM DOCUMENTS

Statement of Intent

Notwithstanding the provisions of Exhibit A, Section 3(c) of the General Motors Hourly-Rate Employees Pension Plan; Exhibit D, Articles V and VI of the Supplemental Unemployment Benefit Plan, and the Items Agreed to by GM-UAW SUB Board of Administration; and Exhibit E, Section 6(a) of the Guaranteed Income Stream Benefit Program, which deal with local union representatives for each of these benefit plan areas, the Corporation and the Union agree as follows:

1. ***Appointment of Benefit Representatives***

(a) Local union benefit representative(s) and alternate(s) shall be appointed or removed by the GM Department of the International Union. Management benefit representative(s) shall be appointed or removed by Management.

(b) Temporary replacement appointments may be made by the local union President for a minimum of one week and a maximum of four weeks. Replacement appointments for any absence in excess of four weeks also shall be made by the GM Department of the International Union. Replacement appointments in situations when the benefit representative(s) and alternate(s) are both absent but for less than one week and are on a leave of absence pursuant to the provisions of Paragraph 109 of the GM-UAW National Agreement may be made by the local union President. Any problems that may arise under this procedure may be discussed by the Corporation with the GM Department of the International Union.

(c) A local union benefit representative shall be an employee of the Corporation having at least one year of seniority, and working at the plant where, and at the time when, such employee is to serve as such

representative or alternate. No such representative or alternate shall function until written notice has been given to the Corporation by the GM Department of the International Union. In the case of temporary appointments, the notice should be given to local Management with additional copies forwarded to the GM Department of the International Union and the Corporation.

2. Number of Local Union Benefit Representatives

(a) In plants having a total of less than 600 employees, there may be one local union benefit representative and one alternate.

(b) In plants having a total of 600 but less than 1,200 employees, there may be two local union benefit representatives and two alternates.

(c) In plants having a total of 1,200 but less than 2,000 employees, there may be three local union benefit representatives and three alternates.

(d) In plants having a total of 2,000 but less than 5,000 employees, there may be four local union benefit representatives and three alternates. If such plants have a total of 1,400 or more employees on the second and third shifts combined, there may be five local union benefit representatives and two alternates.

(e) In plants having a total of 5,000 but less than 8,000 employees, there may be five local union benefit representatives and two alternates.

(f) In plants having a total of 8,000 but less than 10,000 employees, there may be six local union benefit representatives and two alternates.

(g) In plants having a total of 10,000 or more employees, there may be seven local union benefit representatives and two alternates.

The number of employees as used herein shall include active employees, employees on sick leave of absence, and employees on temporary layoff.

3. Of the total number of local union benefit representatives and alternates otherwise available, one or more representatives and alternates may be assigned to the second shift or third shift so long as the total number of representatives and alternates set forth in Paragraph 2. above is not exceeded.

4. When plant population changes occur which would increase or decrease the number of local benefit plan representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, unless such population change results from the discontinuance or addition of a shift or the opening or closing of a plant. In the event of a cessation of operations, the Corporation, at the request of the UAW General Motors Department of the International Union, will provide for the continuance of Benefit Representation. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the GM Department of the International Union.

5. Benefit Plan districts will be established by local mutual agreement. Only one local union benefit representative will function in a benefit district and will handle specified benefit plan problems raised by employees within that district pertaining to the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, and Guaranteed Income Stream Benefit Program agreements. An alternate will be permitted to function in the absence of a local benefit plan representative on the benefit plan representative's shift.

6. Any local union benefit representative may function as the member of the Pension Committee, as the member of the local Supplemental Unemployment Benefit Committee, as a member of the Guaranteed Income Stream Benefit Committee or handle benefit problems under the Life and Disability Benefits Program and the Health Care Program with respect to employees in such representative's Benefit Plan district. An alternate may function in the absence of a local union benefit representative.

7. The time available to a local union benefit representative and alternate with respect to a Benefit Plan district may not exceed eight (8) regular working hours of available time in a day.

(a) On a local union benefit representative's regular shift and without loss of pay, such local union benefit representative(s) may accompany the management benefit representative for a mutually agreeable joint off-site visit to a local hospital, an impartial medical opinion clinic or a health maintenance organization, or other similar type joint ventures, with respect to benefit plan matters.

(b) A local union benefit representative attending a scheduled Management-Union Benefit Plan meeting on a shift other than the representative's regular shift will be paid for time spent in such meeting.

(c) One local union benefit representative attending the local union retiree chapter meeting will be paid for time spent in such meeting.

(d) The time spent in such local union retiree chapter meetings, off-site visits or Management-Union Benefit Plan meetings will not result in additional hours which exceed regularly scheduled shift hours, overtime premiums or an increase in representation time being furnished as a result of the representative(s) not working a full shift on the representative's regular shift.

8. The local union benefit representative shall be retained on the shift to which the representative was assigned when appointed as such representative regardless of seniority, provided there is a job that is operating on the representative's assigned shift which the representative is able to perform.

9. The Benefit Plans - Health and Safety office may be used by local union benefit representatives during their regular working hours:

(a) To confer with retirees, beneficiaries, and surviving spouses who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension Plan, Life and Disability Benefits Program and Health Care Program Agreements.

(b) If the matter cannot be handled appropriately in or near the employee's work area, to confer with employees who, during their regular working hours, ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(c) To confer with employees who are absent from, or not at work on, their regular shift and who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(d) To write position statements and to complete necessary forms with respect to a case being appealed to the Pension, SUB, or GIS Boards by an employee in the local union benefit plan representative's Benefit Plan district, and to write appeals with respect to denied life, health care, and disability claims involving employees within the representative's Benefit Plan district.

(e) To file material with respect to the Pension, Life and Disability Benefits, Health Care, SUB and GIS Agreements.

(f) To make telephone calls with respect to legitimate benefit problems raised by employees under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

10. Notwithstanding Item 7 of this Statement of Intent, during overtime hours, Local Union Benefit Representatives will be scheduled to perform in-plant benefit related activities, if they would otherwise have work available in their equalization group.

PROCESS FOR VOLUNTARY REVIEW OF DENIED CLAIMS

Under Section 502(a) of ERISA, employees who have received an adverse final determination from a carrier on a claim may initiate a civil action at law. To afford employees a voluntary alternative means by which they can seek review and possible reconsideration of a disputed health care claim or question of coverage, internal procedures of General Motors Corporation, as Plan Administrator of the Health Care Program for Hourly Employees, will provide a process. In connection with this process, the Program:

1. Waives any right to assert that a primary enrollee has failed to exhaust administrative remedies because the primary enrollee did not elect to submit a benefit dispute to such process; and,

2. Agrees that any statute of limitations or other defense based on timeliness is tolled during the time such review is pending.

Step 1. Following receipt of a final determination from the Control Plan or carrier with regard to the appeal of a denial of a claim in full or in part, an employee may request the local union benefit representative to review the disputed claim with a designated Plans Workforce representative.

If requested to do so, the Plans Workforce representative will endeavor to obtain additional information from the Control Plan or carrier regarding the disputed claim. The Control Plan or carrier will advise the Plans Workforce representative what, if anything, can be done to support the employee's claim for payment of benefits.

Step 2. If local union benefit representatives contest the position of the Control Plan or carriers as reported

by the Plans Workforce representatives, they may refer the case to the International Union for review with the Plan Administrator.

Step 3. The International Union may review the disputed claim with the Plan Administrator, Control Plan or carrier. At the request of the International Union, the Plan Administrator will request either the Control Plan or carrier, as appropriate, to review such claim.

Step 4. The Control Plan or carrier will be requested to report in writing to the Plan Administrator and International Union its action as a result of such review. If payment of the claim is denied in full or in part, the Control Plan or carrier will be requested to include in its report the pertinent reasons for the denial.

Disputes related to health care claims or questions of coverages through a health maintenance organization may be reviewed in the same manner as outlined in the preceding four steps, as applicable, subject to the following:

1. Following denial of a claim, an enrollee must file any appeal with the health maintenance organization through the member services department (or a similar department). Health maintenance organizations provide members with a formal procedure through which members can have denied claims reviewed. Formal appeal procedures within health maintenance organizations vary, but usually include multiple steps in which a denied claim is reviewed.

2. When the formal appeal procedure has been exhausted, upon request, the health maintenance organization will be required to provide the Plan Administrator or the International Union with information concerning its actions as a result of the findings of the investigation.

UNDERSTANDINGS WITH RESPECT TO THE NATIONAL ACCOUNT PROGRAM

1. Master Group Operating Agreement

By signed agreement with the Corporation, the Control Plan shall be responsible for the administration of hospital, surgical, medical, prescription drug, and hearing aid coverages as described in Appendix A. The Control Plan shall accept the responsibility for assuring that such coverages are administered according to the specifications and conditions set forth in Appendix A. To this end the Control Plan shall accept responsibility for the implementation and overall administration of a National Account Program, applicable to local Blue Cross and Blue Shield plans (local plans) serving as carriers under the Health Care Program.

2. Areas Subject to the National Account Program

Hospital, surgical, medical, prescription drug, and hearing aid coverages shall be provided through the National Account Program for all enrollees under the Health Care Program except in those areas in which such coverages are provided through another carrier.

3. Administration and Implementation

It is the intent and expectation that all local plans serving the areas described in Section 2 above will participate in the National Account Program by entering into a formal participation agreement with the Control Plan to arrange for and/or administer the specified National Account Program coverages in their respective geographic areas. If a local plan is unable or unwilling to arrange for and/or administer any or all of the specified coverages of the National Account Program, this fact shall be formally reported by the Control Plan to the parties.

If a local plan does not arrange for and/or administer the specified coverages, the Control Plan shall advise the Corporation and the Union and recommend possible appropriate actions including those set forth below.

The Control Plan may recommend that it:

- Arrange for the specified coverages with the administration being handled by the local plan, or
- Arrange for those portions of the specified coverages not provided by the local plan with the administration being handled by the local plan, or
- Arrange for and administer the coverages in a local plan area if the local plan does not participate in any capacity, or
- Arrange for another local plan in the region to provide and/or administer the specified coverages, or
- Arrange for the specified coverages with the administration being handled by another local plan in the region.

The Corporation and the Union shall then instruct the Control Plan of the appropriate action to be taken.

It also is the intent and expectation that the Control Plan and local plans shall perform their respective obligations as set forth in the "Understandings With Respect To Utilization Review and Cost Containment" and provide data and reports as mutually requested by the Corporation and the Union.

4. Informed Choice Plan Administration Manual

(a) ***Contents***

An Informed Choice Plan Administration Manual developed for the Health Care Program for use by all participating local plans and carriers shall be brought up

to date as necessary. The Control Plan shall have the responsibility for any necessary revisions of the Manual so as to describe the coverages and performance standards specified for the Traditional option and Preferred Provider Organization option under the Informed Choice Plan. Among other items, the Manual should:

(1) define and explain Program standards;

(2) explain the coverages and the regulations governing the payment of benefits;

(3) include the standardized administrative practices and interpretations which affect benefit payments;

(4) list the limitations and exclusions of the coverages;

(5) define all those terms related to the coverages provided (such as facility, physician, etc.); and

(6) define the data to be provided with respect to the operations of the National Account Program.

(b) ***Review***

The Control Plan shall forward copies of any proposed Administration Manual revisions to the Corporation and the Union. The Corporation and the Union, after joint discussion and review, will advise the Control Plan of any action to be taken regarding the proposed revisions.

The Control Plan shall issue the official controlling revised edition of such Administration Manual sections within 30 days of receipt of such advice of action.

(c) ***Administrative Practices***

The Control Plan may amend its administrative practices and interpretations as established in its

Administration Manual in order to better facilitate the implementation of the coverages provided through the National Account Program. If, in the judgment of either the Corporation or the Union, such changes in administrative practices and interpretations materially affect the benefits in the Health Care Program, the mutual consent to such change by the Corporation and the Union is required.

(d) ***Interpretation***

The Control Plan shall provide written replies to questions from the Corporation, Union, or carriers regarding the interpretations of the Administration Manual with copies of such interpretations provided to the Union, the Corporation, and all affected carriers.

5. Performance

The Control Plan shall be responsible to ensure that local plans participating in the National Account Program provide the scope and level of coverages as specified in the Health Care Program and in the Administration Manual and meet performance standards as set by the Control Plan, subject to the review of the Corporation and the Union. The Control Plan, with such assistance from the national Blue Cross and Blue Shield organizations as may be appropriate may, in exercising its responsibilities, audit local plans to determine if they are providing the specified level of coverages.

6. Other Carriers

Any other Preferred Provider Organization option or Traditional option carrier not participating in the National Account Program shall provide the scope and level of hospital, surgical, medical, prescription drug and hearing aid coverages defined in Appendix A in those areas where it provides such coverages, subject to the condition that carriers or other organizations may by

mutual agreement of the Corporation and the Union be substituted. Such coverages shall be administered as applicable in accordance with the Administration Manual prepared by the Control Plan. Any interpretation of the scope or level of coverages described in the Administration Manual shall be referred to the Control Plan for clarification. Any other carrier not participating in the National Account Program shall administer the Health Care Program in accordance with such interpretations provided by the Control Plan in a manner consistent with the Administration Manual and such interpretations. Carriers not participating in the National Account Program desiring to deviate from the administrative standards and procedures shall submit the proposed deviations to the Corporation and Union for review and approval prior to implementation.

7. Relationships to Providers of Service and Participation in Community Health Planning

It is expected that the Control Plan, the participating local plans and any other carrier will maintain continuing and close relationships with the providers of health services and will actively participate in comprehensive community health planning.

8. Miscellaneous Administrative Understandings

(a) The Control Plan has been requested to ask local plans participating in the National Account Program to do the following, consistent with applicable Federal regulations:

- Designate a person or persons whom individuals, Union and Management representatives may contact regarding the status of individual claims or individual enrollee problems. Local plans will be requested to keep the Union and Plans Workforce representatives advised of the name of the person(s) to whom such inquiries should be made.

- Continue the periodic follow-up procedure for claim inquiries and advise the party making the inquiry of the status of the local plan's investigation regarding specific claims, subject to the privacy regulations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

- Submit written replies upon request of individuals, including Plans Workforce or Union representatives, regarding inquiries concerning claims.

- Continue the review of inquiries by physicians employed or selected by the local plan if such inquiries exist because of a question regarding a medical opinion.

(b) The Control Plan has established an appeal procedure to resolve adverse benefit determinations involving an interpretation of the scope or level of hospital, surgical, medical, prescription drug and hearing aid coverages under the National Account Program. Final determination of any appeals which involve the interpretation, the scope or level of such coverages under the National Account Program will be the responsibility of the Control Plan.

UNDERSTANDINGS WITH RESPECT TO DENTAL COVERAGE

1. Administrative Manual

Policies, procedures and interpretations to be used in administering dental coverage shall be incorporated in an Administrative Manual prepared by the carrier(s), subject to review and approval by the Corporation and the Union. Among other things the Manual shall:

A. Explain the benefits and the rules and regulations governing payment.

B. Include administrative practices and interpretations which affect benefits.

C. Define professionally recognized standards of practice to be applied to services and procedures.

D. List the eligibility provisions and limitations and exclusions of the coverage, and procedures for status changes and termination of coverage.

E. Provide the basis upon which charges will be paid, including provisions for the benefit payment mechanism and protection of enrollees against excess charges.

F. Provide for cost and quality controls by means of predetermination of procedures and charges, utilization and peer review, clinical post-treatment evaluation, and case reviews involving individual consideration of fees or treatment.

2. Denturists

Review will be given to possible inclusion of treatment by denturists in certain states where they are licensed.

UNDERSTANDINGS WITH RESPECT TO VISION COVERAGE

1. Administrative Manual

Policies, procedures and interpretations to be used in administering vision coverage shall be incorporated in an Administrative Manual prepared by the carrier, subject to review and approval by the Corporation and the Union.

2. Cost and Quality Controls

The carrier will undertake the following review procedures and mechanisms and report annually to the Corporation-Union Committee:

(a) ***Utilization Review***

Analysis of various reports displaying such data as provider/patient profiles, procedure profiles, utilization profiles and covered vision expense payment summaries to:

(1) evaluate the patterns of utilization, cost trends and quality of care;

(2) establish guidelines and norms with respect to profiles of practice in order to identify providers with either a high or low percentage of prescriptions issued in relation to the number of enrollees examined, with a high percentage of lenses provided under vision coverage that fail the minimum perception criteria for new lenses or other departures from the guidelines; and

(3) establish the percentage of vision benefits that are paid to participating providers.

(b) ***Price Reviews***

Where possible, price reviews or other audit techniques shall be conducted to examine records, invoices and laboratory facilities and materials and to

verify that charges for enrollees are the same as for other patients. These examinations may include enrollee interviews and clinical evaluations of services received.

(c) ***Evaluation of Services Received***

On a random or selective basis, enrollees who have received services under vision coverage will be selected for subsequent evaluation and examination by consulting providers to ensure that the services reported were actually provided and were performed in accordance with accepted professional standards. Such evaluations may include (1) reexaminations to determine the accuracy of the prescription, (2) the quality of lenses and frames, (3) whether the vision testing examinations administered by providers conform to professional standards, and (4) other aspects of the services provided.

(d) ***Survey of Services Received***

On a random or selective basis, enrollees who have received services under vision coverage may be sent a questionnaire to:

(1) determine the level of satisfaction with respect to these services;

(2) determine whether services for which vision benefits were paid were actually received;

(3) determine whether providers recommend unnecessary optional services or supplies; and

(4) identify other problem areas.

(e) ***Claims Processing***

The carrier may conduct audits of claims being processed such as an analysis of enrollee histories and screening for duplicate payments in addition to the normal eligibility, benefit and charge verifications.

(f) *Peer Review*

When the carrier or an enrollee does not agree with the appropriateness of charge or service provided, an appeal procedure involving peer review may be utilized. Peer review may also be used to resolve situations involving providers with aberrant utilization patterns. The carrier will seek to establish peer review where it does not exist.

UNDERSTANDINGS WITH RESPECT TO UTILIZATION REVIEW AND COST CONTAINMENT

All carriers shall implement and maintain processes for predetermination, concurrent utilization review, retrospective utilization review and focused utilization review and case management consistent with the criteria set forth below and in the Informed Choice Plan Administration Manual. The Control Plan shall have responsibility for assuring that local plans under the National Account Program have such utilization review processes in their respective local plan areas.

Definitions:

Predetermination:

The process by which the necessity for a given health care service, appropriateness of the service or the proposed setting for the service, is reviewed and approved by a carrier before the performance of such service. The review and approval are performed by qualified health care professionals, as determined by the Control Plan, employed or retained by the carriers, using accepted standards to examine pertinent medical documentation of the need, appropriateness and setting for such service.

Concurrent Utilization Review:

The process by which the continued need for inpatient treatment is reviewed while the patient is receiving inpatient care. Determination of the need for continuation of such treatment is performed by qualified health care professionals, as determined by the Control Plan, employed or retained by the carriers, using accepted standards to review pertinent medical documentation of such need.

Retrospective Utilization Review:

The process by which the necessity, appropriateness, and setting of a given health care service is reviewed following the performance of the service. The review is performed by qualified health care professionals, as determined by the Control Plan, employed or retained by the carriers, using accepted standards to examine pertinent medical documentation of the need, appropriateness, and setting for such service.

Focused Utilization Review:

The process by which intensive review of certain providers (professionals and facilities) and/or diagnoses is reviewed. The review is performed by qualified health care professionals, as determined by the Control Plan, employed or retained by the carriers, to audit the necessity of a given health care service, appropriateness of the service, the setting of the service, the quality of care rendered, and the financial accuracy of claims submitted for reimbursement related to such services.

I. Predetermination

A. Under the Traditional option, the carriers provide predetermination for Item 1. below and may be required to provide predetermination for Items 2. through 6. PPOs may perform their own predetermination, and some variations in administration may exist.

1. Hospital admissions except maternity and emergency (emergency admissions are to be reported to and reviewed by the carriers within 24 hours of inpatient admission);

2. Nonemergency, outpatient medical or surgical procedures performed in a facility or a physician's office which are associated with certain diagnoses determined by retrospective utilization review to be subject to

overutilization and amenable to control by predetermination;

3. Ancillary services provided in inpatient and outpatient settings (including home health care) which are associated with certain diagnoses determined by retrospective utilization review to be subject to overutilization and amenable to control by predetermination;

4. Medical equipment, prosthetic and/or orthotic devices prescribed for certain medical conditions determined by retrospective utilization review to be subject to overutilization and amenable to control by predetermination;

5. Skilled nursing facility admissions; and

6. Selected foot surgery procedures.

If appropriate, all covered services listed above shall be referred to the carriers for predetermination according to standards and procedures set forth in the Administration Manual. However, the carriers may focus their review by diagnosis, treatment plan, and/or individual patient characteristics. The carriers may recommend outpatient or office settings as appropriate for selected procedures and diagnostic tests.

The predetermination of inpatient care shall include the designation of appropriate lengths of stay based on diagnosis, patient characteristics, and/or appropriate practice patterns. An appeal process for adjusting the assigned length of stay in individual cases will be available for use as needed. The carriers will provide to the Corporation and the Union such data and reports on the performance of the predetermination program as may be requested.

B. The carriers shall establish and maintain a telephone service and other appropriate communication

methods to provide accurate information to enrollees and providers regarding the program procedures and requirements. Such communications will specify the responsibilities of providers and enrollees in obtaining necessary predetermination. Such communications will include forms and letters, as appropriate, to indicate confirmation and non-confirmation and will be provided to physicians, facilities, and enrollees by the carriers. All such communications will be designed to assist providers and enrollees to secure the required predetermination.

C. The carriers shall provide timely written notification of any actions taken with respect to the predetermination process. Such notification will be mailed to the provider and the enrollee. Such notification shall be mailed within 24 hours following receipt by the carrier of oral or written request for predetermination.

D. An appeal procedure will be available for independent medical review of disputed decisions prior to receipt of services. Decisions resulting from such an appeal procedure will be final and binding on the provider, enrollee and carrier.

E. A procedure will be available for carriers to hold the enrollee harmless for errors of commission or omission involving the predetermination process over which the enrollee has no control. This procedure shall be published in the Administration Manual. The carriers shall require participating providers to hold the enrollee harmless from the provider's errors of commission or omission involving the predetermination process.

F. The carriers shall monitor for and identify providers who have a pattern of inappropriately prescribing services. The carriers shall provide selective screening of such identified providers. The carriers also shall provide screening for diagnoses identified as being subject to such inappropriate practices.

II. Concurrent Utilization Review

The carriers shall provide a process of concurrent utilization review to supplement the predetermination process. Through this process of concurrent utilization review, the carriers shall identify providers who utilize services inappropriately and develop educational and/or corrective action programs for these providers.

III. Retrospective and Focused Utilization Review

The carriers shall develop a program to conduct ongoing retrospective reviews which will include audits of claims for medical necessity, appropriateness of services provided, treatment setting, quality of care, and financial accuracy. At the option of the carriers, this review can focus on specific diagnoses and/or providers identified as warranting such focused review.

Such review may occur post-payment; however, the carriers should develop and implement a plan for making this review, where practicable, pre-payment (or pre-settlement with respect to providers paid on a prospective basis).

IV. Pilot Programs

The Corporation-Union Committee shall develop or request the appropriate carrier or carriers to develop specifications for new or modified pilot programs for Committee review and evaluation. The pilot programs shall be implemented after Committee approval of the proposed program specifications and evaluation criteria, including mutually agreed upon modifications.

In development of these pilot programs, the Corporation-Union Committee or carrier(s) shall secure the advice of professional and medical associations, as appropriate.

Any pilot program may be modified or terminated by mutual agreement if it appears that positive results are not forthcoming.

V. Other Activities

The Corporation-Union Committee shall investigate, consider and, upon mutual agreement, engage in other activities that may have high potential for cost savings. This may involve instituting by mutual agreement other hospital, surgical, medical, prescription drug, hearing aid, dental, vision and substance abuse coverages pilot programs or extending the pilot programs in IV., above, to additional locations.

VI. Review

The results of any pilot programs and activities in IV. and V.,above, will be reviewed prior to the expiration of the Collective Bargaining Agreement so that the parties to the agreement may be prepared to consider the continuation or modification of the pilot programs and other activities of the Corporation-Union Committee.

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

As we discussed during negotiations, national health care reform is an important objective for the Corporation and the Union as well. Consequently, the parties have participated in a number of joint activities at the state level and in Washington. The Corporation and Union seek to achieve health care reform that will address issues that are important to the welfare of the U.S. auto industry and specifically to the well-being of the Corporation and its employees.

The impact national health reform may have on the Health Care Program (hereinafter "the Program") cannot be predicted with any certainty. Because these matters are unsettled, the Corporation and Union have agreed to maintain the following understandings regarding national health insurance:

Notwithstanding Article I, Section 4 of the Program, if, during the term of the Collective Bargaining Agreement between the Corporation and the Union signed today, any national health insurance act (other than a Workers Compensation or occupational health law) is enacted or amended to provide any health care benefits for employees, retired employees, surviving spouses, and their dependents, which in whole or in part duplicate or may be integrated with the benefits under the Program, the benefits under the Program shall be modified in whole or in any part, so as to integrate or so as to eliminate any duplication of such benefits

with the benefits provided by such federal law. This integration shall be designed to maintain such integrated benefits as nearly comparable as practicable to the benefits provided in the Program. Such integration shall not result in persons covered under the Program having to pay deductibles or copayments for benefits which they would not otherwise pay under the Program;

If any such federal law is enacted or amended, as provided in the paragraph above, the Corporation will pay, beginning with the date benefits under such law become available and continuing through the expiration of the current Collective Bargaining Agreement, any premiums, taxes or contributions that employees who are eligible for Corporation-paid coverages under the Program may be required to pay under the law for benefits which may be integrated with the Program;

This includes payments that are specifically earmarked or designated for the purpose of financing the program of benefits provided by law, in addition to any premiums, taxes or contributions required of the Corporation by law. If such premiums, taxes or contributions are based on wages, the Corporation will pay only the premiums, taxes or contributions applicable to wages received from the Corporation; and

Any savings realized by the Corporation from integrating or eliminating any duplication of benefits provided under the Program with the benefits provided by law shall be retained by the Corporation.

These understandings are conditioned on the Corporation's obtaining and maintaining such governmental approvals as may be required to permit the integration of the benefits provided under the Program with the benefits provided by any such law; otherwise the Corporation and the Union shall meet and develop an acceptable alternative to accomplish the intent of this letter for the remaining term of the Agreement. The parties will meet

promptly following the enactment of such legislation in order to assure a smooth implementation of and transition to the integrated program addressed in this letter.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

UNDERSTANDINGS WITH RESPECT TO EMPLOYEE CONTRIBUTIONS – HEALTH MAINTENANCE ORGANIZATIONS (HMOS), AND ALTERNATIVE DENTAL AND VISION OPTIONS

In calculating the Corporation's monthly contributions (and any required member contributions) toward the cost of coverage for eligible individuals electing a health maintenance organization (such term to include group practice dental and vision organizations) under Article II, Section 4 of the Program, the following method will be used:

1. At the time of any change in the component premium rates (e.g., single, two-party, family) of either a health maintenance organization or the corresponding accrual rates for local carrier(s), the health maintenance organization's composite premium shall be compared to an adjusted local carrier's composite accrual rate developed by using comparable component rates of the local carrier(s) and the health maintenance organization enrollment mix of General Motors employees who are then members of the health maintenance organization. For purposes of these calculations, the rates of the local carrier(s) are defined as the greater of the rates for the Traditional option and the Preferred Provider Organization option, based on the adjusted composite rate.

If there are less than 30 General Motors primary enrollees in a health maintenance organization (which includes all new health maintenance organizations), the national enrollment mix of all General Motors primary enrollees in health maintenance organizations will be used in calculating its composite premium rate and comparing its rate to that of the corresponding local carrier(s) so as to produce more reasonable statistical results. Whenever possible, these calculations will

employ separate enrollment mixes for General Motors hourly and salaried employee groups, respectively.

2. If the adjusted local carrier composite accrual rate is in excess of the health maintenance organization's composite premium, the Corporation shall pay the full premiums of eligible primary enrollees electing coverage through such organization. See Example #1.

3. If the health maintenance organization composite premium is in excess of the adjusted local carrier composite accrual rate, the Corporation's contribution on behalf of a primary enrollee in such health maintenance organization shall be limited to the amount obtained by multiplying the amount of the applicable component premium rate for the health maintenance organization by the ratio derived from the adjusted local carrier's composite accrual rate divided by the health maintenance organization's composite premium. The health maintenance organization member contribution amount shall be the difference between the appropriate health maintenance organization component rate less the applicable Corporation contribution. See Example #2.

Example #1

	Health Maintenance Organization		Carrier
	Enrollment Mix	Monthly Premium Rates*	Monthly Accrual Rates*
Single	16%	$ 35.00	$ 30.00
Two-Party	23	75.00	70.00
Family	61	100.00	110.00
Composite		$ 83.85	$ 88.00

*The calculation of Corporation and primary enrollee liability would be based on each specific health maintenance organization component rate.

The adjusted local carrier's composite accrual rate of $88.00 is in excess of the health maintenance organization's composite premium of $83.85. Therefore, even though the health maintenance organization single and two-party component rates exceed those of the local carrier, the Corporation will pay the full premiums of all members enrolled in the health maintenance organization.

Example #2

Single.....	16%	$ 35.00	$ 30.00
Two-Party	23	75.00	60.00
Family	61	100.00	100.00
Composite		$ 83.85	$ 79.60

The health maintenance organization's composite premium of $83.85 is in excess of the adjusted local carrier's composite accrual rate of $79.60. Shown below is the calculation of the Corporation's and primary enrollees' contributions toward payment of the health maintenance organization premiums.

- Health maintenance organization composite rate:..... $83.85
- Adjusted local carrier composite rate:..... $79.60
- Ratio of the adjusted local carrier composite accrual rate to the health maintenance organization composite premium: $79.60 ÷ $83.85 = .949
- Corporation and primary enrollee monthly liability

Health Maintenance Organization Component Rates*		Corporation Liability (Component x .949)	Primary Enrollee Liability
Single	$ 35.00	x .949 = $33.22	$1.78
Two-Party	75.00	x .949 = 71.18	3.82
Family	100.00	x .949 = 94.90	5.10

*The calculation of Corporation and primary enrollee liability would be based on each specific health maintenance organization component rate.

UNDERSTANDINGS WITH RESPECT TO SUPPLEMENTAL METHODOLOGY FOR REVIEW OF HEALTH MAINTENANCE ORGANIZATIONS (HMOS), AND ALTERNATIVE DENTAL AND VISION OPTIONS

For HMO, alternative dental and vision option rates which are to be effective on or after January 1, 1989, in addition to the HMO comparison methodology referenced in the previous letter, an additional comparison will be calculated as described below.

In reviewing the Corporation's monthly contributions (and identifying any enrollee contributions which would have been required under this supplemental methodology) toward the cost of coverage for primary enrollees electing an HMO under Article II, Section 4 of the Program, the supplemental methodology set forth below will be used.

For purposes of this review, the "local carrier's accrual rate" is defined as the greater of the composite accrual rates for the Traditional option and the Preferred Provider Organization (PPO) option(s) (where more than one PPO is available), in the same service area as the HMO. Service areas are defined by zip codes and have been grouped together using, as a basis, the Metropolitan Statistical Area (MSA) concept developed by the Department of Labor, Bureau of Labor Statistics.

The local carrier's accrual rate shall include all coverages comparable to those provided by the HMO and included in the HMO's rates (e.g., hospital, surgical, medical, prescription drug and mail order prescription drug, substance abuse, and vision, where applicable).

The composite premium rate of an HMO will be compared to the composite accrual rate of the local

carrier(s) annually, for every MSA that is within the service area of the HMO. If the HMO's composite premium rate is in excess of the respective local carrier's composite accrual rate, the parties will not approve or will withdraw approval of such HMO. Accordingly, current enrollees may not be allowed to continue in the HMO. Any such enrollees may be required to elect another ICP option. Before taking the final step of discontinuing the offering of an HMO, the parties will examine alternative means to reduce the HMO's composite premium rate.

UNDERSTANDINGS WITH RESPECT TO HEALTH CARE – GENERAL

This will confirm our understanding with respect to the following matters under the Health Care Program, herein referred to as the Program, incorporated by reference in the Collective Bargaining Agreement:

1. Dental Coverage

In the event arrangements are made pursuant to Appendix C, Section IX, of the Program to offer alternative dental coverage to enrollees of the Corporation, payment by the Corporation for such alternative dental coverage on behalf of enrollees who elect such coverage in lieu of dental coverage under Article II, Section 1(b) of the Program shall be no greater than the amount the Corporation would have contributed for dental coverage under Article II, Section 1(b) of the Program.

2. Vision Coverage

If a health maintenance organization, referred to in Article II, Section 4(b) of the Program, decides it is able to provide its own vision coverage, the Corporation and the Union may arrange, by mutual agreement, for enrollees therein to be covered by the health maintenance organization's vision coverage, in lieu of the coverage referred to in Article II, Section 1(b) of the Program.

3. Departicipating Hospitals

The Corporation will request the Control Plan to assure that each participating carrier institutes the following procedure in the event a hospital departicipates.

(a) A plan will give adequate notice at the earliest possible date to enrollees of a hospital's departicipation and of the payment arrangements in such a departicipating situation.

(b) For those enrollees already hospitalized before a hospital departicipates, full covered benefits will be paid until the end of the hospital stay or until the available days of care are exhausted.

(c) For enrollees admitted during the first 30 days after the initial date of each hospital's departicipation, full covered benefits will be paid for all admissions to such departicipated hospital until the end of the hospital stay or until the available days of care are exhausted. For enrollees admitted after such 30 days, the appropriate nonparticipating hospital rate shall apply, except as provided in (d), below.

(d) Upon admission in an emergency (as determined by the plan) to a hospital that has departicipated, when the enrollee cannot be safely moved to a participating hospital, the enrollee will be entitled to full covered benefits during the first five days of the hospital stay. After five days from the date of such emergency admission, payment will be at the appropriate nonparticipating hospital rate. If at any time during such an admission the enrollee is moved to a participating hospital, payment may be made for the reasonable charges for ground ambulance transfer of up to 25 miles, upon approval of the attending physician and the plan. This approval must be based on the physician's medical certification that the transfer will not endanger the enrollee's health and of plan certification that the subsequent stay will be of sufficient duration to justify the transfer. If transfer to a participating hospital cannot be arranged, either because such a transfer would endanger the enrollee's health or because the subsequent stay would not be of sufficient duration to justify transfer, full covered benefits will be paid until the end of such hospital stay or until the available days of care are exhausted.

(e) If such a hospital regains its participating status within six months after departicipating, the plan

will retroactively make payments for the balance of the hospital's reasonable charges (as determined by the plan) for covered services for enrollees admitted during the period of departicipation. The plan shall arrange that such payments relieve the enrollees of any further financial obligation with respect to covered services received during the departicipation period, and that any portion of such balance previously paid by the enrollee shall be refunded.

4. Nonparticipating Hospital Rates

(a) The plan's payment for inpatient room and board charges with respect to nonparticipating hospitals (other than psychiatric hospitals) will be up to a maximum of $230 per day and payment for inpatient ancillary charges at such hospitals will be up to $20 per day (a total of $250 per day). Upon implementation, these daily benefit rates will supersede present benefit arrangements for inpatient services in nonparticipating, non-psychiatric hospitals in all plan areas. A maximum of $35 will be paid to such hospitals for each condition for outpatient services, except as otherwise provided for treatment of certain medical emergencies and accidental injuries.

(b) Payment to nonparticipating hospitals (other than psychiatric hospitals) for emergency admissions will be as described in 3(d) above for departicipating hospitals.

(c) Certain covered emergency services received in the outpatient department of a non-participating hospital will be paid on the same basis as if in a participating hospital. To qualify for payment, the claim must be for services related to a medical emergency or a serious bodily injury that requires immediate medical attention to avoid placing the enrollee's life in jeopardy, permanent damage to the enrollee's health or significant impairment of bodily functions. Treatment must be

provided at the hospital immediately following the medical emergency or injury. Payment will not exceed the amount that would be paid to a participating hospital, and there can be no assurance that the payment will cover the entire amount billed by the hospital.

(d) Present benefit arrangements for payments of $15 per day shall continue to apply to admissions to nonparticipating hospitals which are classified as psychiatric hospitals.

5. Nonparticipating Physician Rate

The plan's payment for services provided by a nonparticipating physician will be up to the reasonable and customary charge for the same service when provided by a participating physician, as determined by the plan.

6. Canadian Resident Coverage

The Corporation will continue arrangements to make available on an optional basis the hospital, surgical, medical, prescription drug, hearing aid, dental, vision, and substance abuse coverages, provided employees of GM Canadian operations, to employees and retirees of GM locations in the United States, including eligible surviving spouses of former U.S. employees, who live in Canada and for whom the Corporation contributes the full cost of their coverages.

The Canadian coverages, if elected, will be in lieu of coverages available at the GM U.S. location where employed or from which retired.

7. PPO Accreditation

All PPOs made available to enrollees will be required to attain accreditation from the National Committee for Quality Assurance or the Utilization Review Accreditation Commission, on or before

September 14, 2000. Any PPO which does not have the required accreditation will be made available during the next open enrollment only by mutual agreement of the parties.

8. PPO Public Reporting

All PPOs shall be required to publicly report NCQA, URAC, HEDIS and any other data that may be relevant to consumer information needs, unless otherwise mutually agreed to by the parties.

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties reemphasized their commitment for the Corporation-Union Committee on Health Care Benefits to investigate, consider, and upon mutual agreement, engage in activities that may have high potential for cost savings while achieving the maximum coverage and service for the employees covered for health care benefits for the money spent for such protection. The items to be considered include, but are not limited to, the following:

1. Work with other groups within the Corporation and the Union, as well as outside organizations, to develop and implement educational and health awareness programs having components such as:
   - encouraging enrollees to obtain quality health care in a cost-effective manner;
   - promoting educational programs about good health habits and early detection procedures, and furnish general information about health issues; and
   - informing enrollees, providers and appropriate community members about local quality issues.
2. Work with carriers to develop and implement pilot programs based on findings of detailed medical review of coverages provided under the Informed Choice Plan.

3. Review the experience of the use of "par" and/or contracted provider networks and provisions applicable to reimbursement for physician and other medical providers. Make a determination (based on data supplied by the carriers and other resources) as to whether the provisions are a barrier to delivery of quality and cost-effective care.
4. Work with dental carriers to monitor utilization and to determine if there is a potential for abuse. In addition, review and monitor dental maintenance organizations to ensure they maintain standards for coverage and quality equal to generally accepted national standards and perform as outlined in the supplemental methodology.
5. Review and improve retiree servicing to minimize claims handling by retirees, assist in resolving problems, and expedite payments to providers. Engage in communication activities which expand retiree awareness of health issues and understanding of our Health Care Program, Medicare, and the relationships between the two.
6. Review the operation of the claims processing systems, and the procedure for review of denied claims, with the objectives of improving the initial adjudication of claims, enhancing enrollee understanding, discouraging filing/processing of inappropriate appeals, eliminating duplication of effort, and facilitating timely resolution of appeals.
7. Work with appropriate carriers to evaluate and modify coverage for injectable medications. Identify appropriate distribution points for injectable medications (for example, via pharmacy or professional provider locations) to promote the safety and efficacy of delivery, appropriateness, and cost effectiveness of injectable medications.

8. Review the issues surrounding treatment of Temporomandibular Joint (TMJ) dysfunction and the relationship to current Program coverages. Consider Program adjustments which may be appropriate.

9. Review and discuss opportunities for programs that will optimize utilizations of diagnostic radiology services, in particular computerized axial tomography (CAT), magnetic resonance imaging (MRI), and positron emission tomography (PET) scans. In light of evolving technology, utilization increases, and Certificate of Need (CON) erosion and the resulting proliferation of imaging providers, the parties will review tools, programs and opportunities for appropriate controls on diagnostic radiology utilization.

10. Explore pilot programs, individually or in concert with other payors, to develop relationships with high quality, cost-effective providers and to encourage enrollee use of such providers.

11. Identify regional best-in-class network administrators for delivery of outpatient diagnostic laboratory coverages. The parties may select one or more administrators from among those identified, to implement regional network arrangements for Traditional option enrollees (and Preferred Provider Organization option enrollees, where appropriate).

12. Investigate the feasibility of and, if mutually agreeable, implement diagnostic imaging network pilots in Michigan and in other areas as appropriate.

13. Complete a Request for Information process to identify best-in-class preferred provider network administrators for delivery of home health care coverage. If feasible, and mutually agreeable, implement preferred provider network arrangement(s) for Traditional and Preferred Provider Organization option enrollees, on a

national, regional or local pilot basis, as applicable.

14. The parties will mutually revise the methodology for establishing enrollee contributions for HMOs and PPOs, as outlined in the "Understandings with Respect to Employee Contributions - Health Maintenance Organizations (HMOs) and Alternative Dental and Vision Options." The revised methodology will account for differences attributable to gender, age and contract size within the enrolled population. The parties will investigate the inclusion of an adjustment for health status. The parties will also establish a method to assure that alternative plans are not disadvantaged by the implementation of the restructuring of the Traditional option on a PPO platform (e.g., Traditional Care Network, United Healthcare Options PPO). The parties will mutually establish appropriate thresholds for plan membership and apply the methodology to produce statistically significant results. It is expected that HMOs will provide claims data to enable a health status adjustment to be calculated. HMOs which do not provide such information may no longer be offered if contributions are generated.

15. Explore the potential for including certain over-the-counter medications under the prescription drug coverage of the Program. Any potential change to the coverage would be implemented on a pilot basis, be predicated on there being no tax disadvantages to the Corporation or enrollees and be discontinued if there are no demonstrable savings to the Program.

16. Implement appropriate and timely communication and administration of new generic provisions and maintenance drugs, including:

    A. Communicate new generic provisions, including:

        (1) Carrier communication with physicians,

pharmacists and enrollees concerning the new generic provisions for prospective medical necessity reviews.

(2) Carrier communication with enrollees and their physicians initiating a review for enrollees currently on brand medications.

(3) Proactive carrier process when a brand medication was dispensed because of a physician's instructions.

B. Communicate regarding the receipt of maintenance drugs via mail order, including:

(1) Work with the carrier to assure that when an enrollee initially fills a maintenance drug at retail, the enrollee is subsequently notified about program provisions and the steps to transfer a prescription to mail order. Enrollees will receive a kit with documentation to ease the transfer.

(2) If an enrollee has not transferred a maintenance drug prescription to mail order after the first refill, the carrier will send additional communication to assist with the transfer of the prescription to mail order (potentially a postcard communication).

C. Review medications on a quarterly basis for modifications of the maintenance drug list.

17. Consider public policy and community health issues which impact the negotiated benefit package.

18. Discuss the possibility of developing a foot care pilot program and, if mutually agreed, implement the program.

19. Review and explore hearing aid devices and accessories.

20. The parties will review the CUCHCB budget on a quarterly basis.

21. Commission and review independent audits of the prescription drug coverage carrier (s) to assure that the provisions of Appendix A, III.G.6. of the Program are being met. The CUCHCB will address any shortcomings with appropriate action, up to and including changing carriers. Additionally, prior to the expiration of the 2003 Agreement, the CUCHCB will arrange for completion of an evaluation of current and potential carriers and, based on such evaluation, consider appropriate changes in carrier selection.

Upon mutual agreement, the Committee could engage in joint efforts relating to specific issues in the above areas.

The Corporation will make available limited funds beginning October 6, 2003 for four years to fund such mutually agreed upon activities as studies, pilot projects, education programs and use of consultants.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During the 1984 negotiations, the parties agreed to the Informed Choice Plan — a three option plan under which an employee can elect a Preferred Provider Organization option, a Health Maintenance Organization option, or a Traditional option. Under those options, enrollees can receive quality health care with benefits equal to those under previous coverage if approved services are obtained in accordance with the provisions of the option selected.

Although adoption of the Informed Choice Plan resulted in improvements to the health care coverage, both in terms of quality of care and cost containment, as discussed during the succeeding negotiations, the parties agreed that continued efforts for improvement are required.

As evidence of their commitment to contain costs under the health care coverage provided, the parties have agreed to intensify their efforts to reduce health care costs in constant dollars (adjusted for inflation in the economy by the overall CPI). The carriers for health care coverage will assume some financial risk in intensifying their efforts to reduce health care costs and they, in turn, may impose some financial risk on certain providers. It is expected such an arrangement will build upon a similar arrangement agreed to during prior negotiations.

The parties also have agreed that the Control Plan and carriers will continue to be required to provide data and reports with respect to the Informed Choice Plan so as to enable the parties to make appropriate evaluations.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the economic and social needs of the chronically disabled who may require long-term care. The Corporation is concerned about the complex issues, the limited information available with respect to cost and utilization projections and availability of support services in communities.

Since the nature of these needs will encompass services which go beyond medically necessary therapeutic care covered under the Health Care Program, the parties agree that any approach which addresses such needs should be inter-disciplinary in nature.

In this regard, the Corporation-Union Committee on Health Care Benefits has developed and implemented a pilot. Such pilot is based upon guidelines agreed to by the parties, which respond to the social concern for the chronically disabled population in a cost-effective manner. This pilot will be continued for the duration of the 2003 National Agreement.

A fund of no more than 2.5¢ per hour worked by employees at the pilot location will be provided for the payment of services incurred by individuals covered by the pilot program. Such funding commenced effective July 1, 1989, and will continue for the duration of the pilot.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

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WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understandings that for purposes of Article IV, Section 8.(a) of the Program, the definition of "employee" will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This will confirm our intent to discuss, evaluate and implement by mutual agreements certain quality and safety components in the Prescription Drug Coverage. The components listed below are intended to enhance medication safety and cost effectiveness by improvements founded on best prescribing practices and evidence-based medical guidelines.

a. Prior Authorization

b. Step Therapy

c. Enhanced Digestive Health Solutions

d. Appropriate Quantities

e. Dose Optimization In Retail

f. Excess Dose Or Quantity Over Time

The carrier's appeal process for physicians and enrollees will be available.

The parties agree that oversight of these components will be under the Corporation-Union Committee on Health Care Benefits (CUCHCB). The parties have agreed that, once implemented, the carrier will provide the CUCHCB a regular (minimum of quarterly) review of the overall program operations and member concerns and make recommendations for improvement. The parties may obtain the services of a jointly

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understandings that for purposes of Article IV, Section 8.(a) of the Program, the definition of "employee" will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
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WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

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International Union, United Automobile,
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8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This will confirm our intent to discuss, evaluate and implement by mutual agreements certain quality and safety components in the Prescription Drug Coverage. The components listed below are intended to enhance medication safety and cost effectiveness by improvements founded on best prescribing practices and evidence-based medical guidelines.

a. Prior Authorization

b. Step Therapy

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d. Appropriate Quantities

e. Dose Optimization In Retail

f. Excess Dose Or Quantity Over Time

The carrier's appeal process for physicians and enrollees will be available.

The parties agree that oversight of these components will be under the Corporation-Union Committee on Health Care Benefits (CUCHCB). The parties have agreed that, once implemented, the carrier will provide the CUCHCB a regular (minimum of quarterly) review of the overall program operations and member concerns and make recommendations for improvement. The parties may obtain the services of a jointly

identified consultant to assist in the evaluations of performance and recommendations. The parties have agreed to jointly revise the programs when problems arise and modifications are necessary.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This is to confirm the understandings reached between the parties during discussions concerning necessary measures to address inadequate performance of Preferred Provider Organizations (PPOs). It was mutually recognized additional study of PPOs is unwarranted and only those PPOs demonstrating high quality cost-effective care should be continued.

Consequently, the standard methodology used to assess Health Maintenance Organization (HMO) cost and contributions is used to compare PPO costs to that of the Traditional option. The results determine whether PPOs generate contributions in excess of the Corporation's monthly contribution.

Despite the efforts of the parties to date in examining alternative means to reduce PPO costs, many PPOs generate contributions. As a result, the parties have agreed to work jointly with non-performing PPOs to identify high quality, highly efficient providers, using nationally recognized quality and safety standards and member servicing standards (e.g., new patient access, waiting times), as mutually agreed upon, and to implement network reductions as soon as practicable. It is intended that the resulting network will attain accreditation from the National Committee for Quality Assurance or the Utilization Review Accreditation Commission. It is intended that PPO networks will be reduced to approximately 70% to 75% of hospitals and 25% to 35% of physicians in a given service area. In

addition, consideration may be given to the inclusion or exclusion of select provider classes (e.g., FASCs) when such network reductions are being implemented. If at any time access becomes problematic, the parties will jointly address and resolve the identified issues and concerns with the carriers. All such restructuring of the PPOs shall be done by mutual agreement.

Any non-performing PPOs that are refusing, unable or failing to make a good faith effort to make such network changes by January 1, 2005 will be dropped. All non-performing PPOs that make such changes to their networks by January 1, 2005 will continue as plan offerings, subject to regular monitoring and performance evaluation, until the earlier of the end of this contract or December 31, 2007. At that time, all PPOs will be assessed according to the standard methodology and the parties will withdraw any non-performing PPOs from the Informed Choice Plan. Before taking the final step of discontinuing the offering of a PPO, the parties will examine alternative means to reduce the PPO's costs ("composite premium rate").

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognize the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.
2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets, administrative manuals (where applicable), relevant contract provisions and appropriate

process descriptions. Upon approval by the Executive Board of Joint Activities, the cost of development, hardware and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide on-going training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.
- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.

- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the Union and the Corporation conducted extensive discussions regarding the continued development of the Community Health Care Initiatives process. In designated communities, the Corporation and the Union work with others in the community to initiate community activities designed to improve the overall health status of area residents and improve the quality and cost effectiveness of the local health care delivery system.

The parties reaffirm that the Community Health Care Initiatives process has the potential to promote high quality, cost effective health care delivery systems for the entire community and thereby enhance the effectiveness and value of the health care benefits provided to UAW-represented GM employees under the Health Care Program. Accordingly, the Corporation and Union have agreed that as soon as practicable following ratification of the Agreement, the Corporation-Union Committee on Health Care Benefits (CUCHCB) will meet to further develop action plans, to be used in ongoing activities in Flint, MI, Anderson, IN, and Warren/Youngstown, OH pilots, and other communities, consistent with the principles outlined in the attached Vision-Mission Statement.

The Action Plans will identify areas for both geographical and programmatic expansions of activities designed to achieve demonstrable improvements in health status, quality and cost effectiveness of the health care delivery system over time. In addition, the CUCHCB will establish mechanisms to evaluate the process. Typical community activities include, but are not limited to:

- collaboration with consumers, purchasers, providers, health care plans, carriers and other interested parties to develop activities that will assist a community in utilizing all its health care resources effectively, and balancing those resources with its health care needs,
- identification of best practices of care and delivery, and encouragement of their adoption by local health care providers,
- improvement in the health status of all members of the community through the use of community activities, such as educational and informational programs, and
- provision of environmental scans, resource and needs assessments and other data that give the community access to significant data and information to enable it to develop action planning.

The Action Plans developed by the CUCHCB will be tailored to reflect the unique environment of each community. The CUCHCB will jointly adopt specific short-term and ongoing goals for each location, monitor the activity within each community and receive regular reports from the Community Initiatives Directors. The parties agree to collaborate with other organizations involved in community health care initiatives programs to ensure maximum effectiveness of the programs.

Two Community Initiatives Directors (CIDs) will be assigned to each targeted community and will be responsible for working as a team to implement each Action Plan under the oversight of the CUCHCB. One CID will be appointed by the Corporation and one by the Union. The CIDs will be employees of the Corporation and receive pay and benefits from the Corporation. Any consulting fees will be reimbursed from National Funds provided under the Memorandum of Understanding-Joint Activities in the National Agreement between GM and the UAW.

Very truly yours,

L. L. Williams, Executive Director
Health Care Initiatives

Attachment
Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Vision - Mission Statement

We are firmly committed to encourage the development of community health care delivery systems that provide high quality health services, promote disease and accident prevention, expand health education, improve community health status and enhance the quality of life, while reducing costs by efficient and appropriate cost-effective delivery of services.

The Community Initiatives process will stimulate community activity, including coalitions and other consensus building forums, to encourage collaboration and cooperation of consumers, purchasers, caregivers and providers to improve the health care system by promoting:

- the delivery of high quality health care;
- a culture of "best practice";
- state-of-the-art data collection and information systems; and
- a balancing of the health care resources of the community with the community's health care needs.

Community activity supported by information acquired through the assessment of community needs and resources and a survey of national and local "best practices", will generate the development and implementation of action plans to ensure that health care resources in the community are used efficiently and effectively to meet its needs.

This commitment to community activity and collaboration will be ongoing and emphasize continuous improvement of the delivery system. An immediate goal will be achieving a voluntary community commitment to a moratorium on expansion that does not have a consensus of need.

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed health care management and the importance of providing quality health care in a cost-effective manner. These discussions included the current Coordinated Care Management (CCM) program, as well as other activities and Health Care Program components associated with the overall management and coordination of care for enrollees.

Various aspects of the Program that relate to care management have not been evaluated in some time. These include, but are not limited to, pre-determination processes, case management, second surgical opinion and cardiac rehabilitation. These components originated in the 1980s and early 1990s, and have not been evaluated in depth since that time. In addition, tools and approaches to care management have evolved since the time all of these components were implemented. The parties agree that the components do not fully address enrollee needs across the health care continuum or enrollee needs for information regarding health, disease and provider quality. The current structure of services is in some cases fragmented, could be integrated more effectively, and/or redesigned to create a more integrated, seamless approach to overall medical management.

In light of the above, the parties agree to conduct a study on integrated care management. A dedicated UAW-GM team will jointly develop and release a Request for Information (RFI) in the first quarter of 2004 to determine current industry best practices related to care management.

The study team may address the following, including but not limited to:

1. Identifying objective standards which can be applied uniformly in evaluating quality and appropriateness of medical necessity and overall utilization;
2. Identifying utilization review programs and predetermination processes that enhance efficiency and effectiveness of the Program;
3. Evaluating the appropriateness of retaining independent third-party utilization reviewers;
4. Reviewing, evaluating and, if appropriate, adjusting the case management component with respect to the type and identification of cases receiving consideration and the effective use of existing Program coverages prior to development and implementation of Alternative Benefit Plans;
5. Reviewing Program provisions relating to transplant surgeries and other services for which there is a direct relationship between quality of care and the volume of procedures performed (such as cardiac and cancer care) and developing "Centers of Excellence". Consider methods for directing patients to providers within the Centers of Excellence;
6. Developing relationships with high quality, cost-effective providers and encouraging enrollee use of such providers;
7. Reviewing existing cardiac rehabilitation pilots to evaluate their cost effectiveness and evaluating integrating cardiac rehabilitation with other care management features;
8. Exploring ways of involving patients in treatment decisions, including but not limited to the use of interactive shared decision-making tools;
9. Exploring non-traditional services that may assist in the management of serious health conditions, including treatment that can alleviate chronic debilitating pain and alternate treatment modalities which will enhance recovery during

an inpatient admission;

10. Exploring end-of-life care options as an alternative to other medical modalities;
11. Exploring opportunities for linking members to appropriate, approved clinical trials; and
12. Evaluating current disease management programs (e.g., CCM) and identifying enhanced programs and methods for increasing enrollee participation as appropriate.

Based on information gathered from this RFI, a Request for Quote (RFQ) will be released to generate bids for a new Health Care Program Care Management component. The parties will mutually agree on a best-in-class vendor(s) to provide this integrated service for Program enrollees. Selections may be specific to individual segments or may result in components being delivered through an umbrella structure administered by a third party. Certain aspects of the new arrangement may be structured with automatic enrollment to improve participation in programs. The integrated care management component may be aligned with the LifeSteps health promotion activities for maximum impact. Existing carriers will be required to provide data in a timely manner to care management vendors to insure appropriate administration of program components. Implementation of the integrated care management component will be targeted for January 1, 2005.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During the 1996 negotiations, the parties concluded that the delivery of vision benefits could be improved. Therefore, the Corporation and the Union agreed that the administrator of vision coverage nationwide pursuant to Appendix D of the General Motors Health Care Program for Hourly Employees (the Program), would provide a network of participating providers, improved benefit levels, and reduced enrollee and Corporation expense.

Participating providers agree to accept reimbursement in accordance with Appendix D, Section VII., and to provide discounts on certain non-covered services. The administrator of the vision coverage will continue to assure access levels acceptable to the parties and that all participating providers meet both credentialing and quality assurance standards. In contracting with the participating providers, the administrator will continue to assure that the providers fully understand the provisions of Appendix D, including eligibility requirements and benefit levels.

During the course of the 2003 Agreement, the Corporation-Union Committee on Health Care Benefits (CUCHCB) will commission independent audits of the administrator of the vision coverage to assure that the highest quality, access, service, professional standards and express commitments set forth are maintained. The CUCHCB will monitor the administrator's performance and address any shortcomings with appropriate action up to and including changing

carriers. Additionally, prior to the expiration of the 2003 Agreement, the CUCHCB will arrange for completion of an evaluation of the current administrator and other potential administrators and, based on such evaluation, consider appropriate changes in administrator selection(s).

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During the 1996 negotiations, the parties concluded that the delivery of dental benefits could be improved. Therefore, the Corporation and the Union agreed to select Delta Dental Plan of Michigan (DDPM) to administer traditional dental coverage nationwide pursuant to Appendix C of the General Motors Health Care Program for Hourly Employees (the Program).

DDPM, in conjunction with Delta USA, provides a nationwide network, or networks limited to selected states, of participating providers who agree to accept the reasonable and customary reimbursement as determined by the affiliated Delta Dental Plans as payment in full for the services covered under Appendix C of the Program.

DDPM, in conjunction with Delta USA, also provides a nationwide point-of-service preferred provider arrangement, or networks limited to selected states. Providers who participate in this arrangement agree to accept the carrier's schedule for reasonable and customary reimbursement as payment in full for the services covered under Appendix C of the Program. The preferred provider arrangement offers a panel of dentists, utilization review, improved level of benefits and reduced enrollee and Corporation expense.

The Corporation-Union Committee on Health Care Benefits (CUCHCB) may commission independent audits of DDPM to assure that the highest quality, access, service, professional standards and express

commitments set forth are maintained. The CUCHCB will monitor the carrier's performance and address any shortcomings with appropriate action up to and including changing carriers. Additionally, prior to the expiration of the 2003 Agreement, the CUCHCB will arrange for completion of an evaluation of DDPM and other potential carriers, and, based on such evaluation, consider appropriate changes in carrier selection(s).

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

UNDERSTANDINGS WITH RESPECT TO HEALTH CARE - HMO

1. *Annual Review of New HMO and Medicare + Choice Offerings*

The parties will continue to annually review the possibilities for adding new HMOs to the Program, with the goal of ensuring that enrollees have the opportunity to enroll in HMOs that meet the parties' quality, access, benefit design, cost-effectiveness, and delivery of service requirements. The review will place emphasis on service areas where alternative plans are not presently available, on areas where only one alternative plan is available and on ensuring that the needs of both Medicare and non-Medicare enrollees are addressed. The annual review of new HMO offerings will be conducted in a manner to allow sufficient time to include newly-approved HMOs within the annual enrollment process.

Additionally, the parties will discuss and, if mutually agreed to, authorize Medicare HMO ("Medicare + Choice") products as options under the Informed Choice Plan. When an HMO offers a Medicare + Choice option that meets the parties' benefit design, access, quality and cost expectations, it may be offered to Program enrollees with primary coverage through Medicare. Primary enrollees electing the Medicare + Choice options may opt out, as permitted under Federal regulations, without loss of Program coverage.

2. *HMO Performance*

The parties will address the overall performance and continuation of individual HMOs on the basis of quality, access, benefit design, cost-effectiveness, and delivery of services. HMOs, which do not achieve and maintain expected performance levels, or whose costs compare unfavorably to other available options, may be

discontinued upon agreement of the parties. Additionally, to the extent that other ongoing HMO performance problems arise during the life of this agreement, the parties agree to discuss these problems in the CUCHCB and to seek resolution.

3. *Mental Health and Substance Abuse Services*

In order to address the parties' concerns over the manner in which mental health and substance abuse services are delivered in certain HMOs, the parties will monitor input from enrollees, providers, carriers, appropriate Union representatives and outside consultants. HMOs will be evaluated in comparison to the Traditional/PPO options' mental health and substance abuse care concepts, the National Committee for Quality Assurance (NCQA) Managed Behavioral Health Organization Accreditation Standards, the GM HMO Performance Expectations and other standards agreed to by the parties.

Regardless of the fact that the HMO may be accredited, the parties will work with those HMOs that are not in compliance with the parties' expectations. In the event that an HMO is unable or unwilling to meet the parties' expectations, the parties may, by mutual agreement, assign the mental health and/or substance abuse coverage and services to another carrier. If such a decision is made, it is recognized that prescription drug and other provisions may need to be addressed, to assure that the HMO's enrollees continue to receive the full range of coverage. Alternatively, and also by mutual agreement, the parties may cease to offer the HMO.

4. *HMO Accreditation*

All HMOs made available to enrollees will be required to attain at least provisional accreditation from the NCQA. Any HMO which does not have the required accreditation will not be made available during the next

open enrollment, unless offered or retained by mutual agreement of the parties. The parties will monitor the HMOs receiving provisional accreditation to ensure they seek to attain higher accreditation.

5. *HMO Patient Rights*

The parties will request that HMOs communicate to enrollees through direct mailings or otherwise about how they may: obtain coverage and receive care; gain access to other plan services, including referrals outside the plan network; and register complaints and utilize the grievance process. Such communications shall conform to federal and state laws as applicable. The parties may recommend standard formats for providing this type of information. The parties may take such mutually agreed upon steps as they deem appropriate (including termination of the plan offering) should a plan be out of compliance.

6. *HMO Benefit Design*

The parties will continue to review benefits provided by HMOs, in order to ensure adequate compliance with the agreed upon benefit design. HMOs offered to enrollees will provide a full array of preventative services, including appropriate cancer screening services and early detection and screening procedures. In situations where a prescription drug order, for an otherwise covered drug, is written by a dental service provider, or a mental health/substance abuse service provider when such services are carved out, the HMOs will recognize such prescription order as a covered service. The HMOs will be expected to provide coverage for contraceptives as outlined in Appendix A,III,E,3,v, and III,G,, at a minimum. In performing the review the parties will look to such items as NCQA accreditation standards, the GM HMO Performance Expectations, the results of site visits and HMO responses on the annual pre-enrollment "long form" benefit report, as well as to enrollee and Union representative feedback.

7. *Public Reporting of HMO Data*

All HMOs shall be required to publicly report NCQA, HEDIS and any other data that may be relevant to consumer information needs, unless mutually agreed to by the parties.

8. *Shared Decision Making*

HMOs offered to Program enrollees are encouraged to foster shared decision making between enrollees and physicians, based on full discussion of the benefits and risks of treatment alternatives. The parties have agreed to explore effective ways of involving patients in treatment decisions, including but not limited to the use of interactive decision-making tools, and to implement one or more pilot programs as mutually agreed to by the parties. The parties will decide upon appropriate contractual requirements for HMOs, in order to achieve similar desirable results.

9. *Confidentiality of Individually Identifiable Health Care Information*

HMOs offered to Program enrollees are required to maintain confidentiality of individually identifiable clinical information, in accordance with the stated Corporation policies, accreditation requirements and applicable laws.

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

The Corporation and the Union have agreed on the desirability of maintaining a set of principles concerning the confidentiality of medical information. The Corporation reviewed with the Union its processes and practices in this regard. The parties acknowledged that medical information, in the context of this letter, means any record, written or electronic, identifying a participant in the UAW/General Motors Hourly-Rate Employees Pension Plan, Life and Disability Benefits Program for Hourly Employees or the Health Care Program for Hourly Employees (collectively, "Benefits Programs"), containing diagnostic or treatment information and used in connection with the administration of the Benefits Programs. Accordingly, the following are understood:

- Participants in the Benefits Programs have a legitimate interest in the confidentiality of medical information pertaining to them.
- The Corporation, third party administrators, and other parties acting on behalf of the Corporation or third party administrators in connection with the Benefits Programs ("Other Parties"), have a legitimate need to collect, maintain, and use medical information in the course of performing administrative and other fiduciary functions required by the Benefits Programs and the law (e.g., verifying eligibility and benefit status, claims adjudication, audits for payment purposes, case management, coordination of benefits).

- The Corporation, third party administrators and Other Parties have a legitimate need to collect, maintain and use aggregate medical information for purposes of analysis, evaluation, oversight and quality control.
- In addition to applicable legal requirements, access to medical information maintained by the Corporation, third party administrators and Other Parties will be limited to persons having a need to use the information in the course of performing their job duties, and where appropriate and feasible, narrowly tailored in terms of scope and detail to achieve intended business purposes. Aggregate data and/or summaries will be used by the Corporation to the extent feasible.
- Medical information exchanged with Other Parties for analysis and evaluation will be used and maintained only for the purpose for which it is provided and not redisclosed by Other Parties without the prior consent of the Corporation and the Union.
- The Corporation will establish internal safeguards concerning the exchange of medical information by the Corporation. Employees who inappropriately exchange medical information will be subject to disciplinary action. The Corporation will also require third party administrators and Other Parties to establish and enforce policies and procedures consistent with this letter.
- Medical information may be exchanged with Other Parties for clinical, public health and academic research only if a meaningful purpose is to benefit participants in the Benefits Programs. Absent such purpose, the prior agreement of the Corporation and Union on all aspects of the research (e.g., topics, selection of researchers, distribution of results) is required.

- Benefits Programs treatment interventions should not be made by employees of the Corporation other than its medical personnel in the course of their normal activities.

The Corporation, in consultation with the Union, is committed to continuing its development of processes and practices regulating the use of medical information within the Corporation and by third party administrators and Other Parties. In addition, while it is not medical information, the parties will pursue opportunities to reduce reliance on the use of social security numbers as the means of identifying enrollees for purposes of Program Administration.

Should issues arise during the course of the agreement concerning the confidentiality of medical information, the Corporation will meet with the Union to discuss mutually agreeable solutions.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the Corporation and the Union discussed initiatives presently under consideration at the federal government level to reform the health care delivery system. The proposed reforms include provisions that would impose, among other things, (i) liability on health care plans, employers, employees, agents and other entities for punitive and compensatory damages arising out of the provision of benefits, (ii) requirements for timely decisions of certain benefit claims, (iii) access to external, independent claim reviews, (iv) access to specialty care, and (v) protections for the provider/patient relationship.

The likelihood of any initiatives becoming law is unknown, and the elements and impact of any legislation cannot be predicted. Nonetheless, the parties agreed that if any national health plan reform legislation is enacted during the term of the agreement, the Corporation and the Union, through the Corporation-Union Committee on Health Care Benefits, will discuss and implement modifications to the Health Care Benefits Program that comply with federal standards as they become effective. The compliance effort will also be undertaken in a manner that achieves the following objectives:

- Minimizes litigation risk to the Program and its fiduciaries.

- Provides greater opportunities for participants to resolve denied claims through Program appeal processes.
- Addresses the legitimate concerns of participants in awareness and understanding of health care issues and benefit terms.
- Corrects any Program terms that constitute unintended violations of new legislation.

The parties agreed to meet during the term of the agreement to discuss the status of proposed federal legislation and take measures consistent with this letter to expeditiously address the mutual objectives of the parties.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the Corporation and the Union discussed services designed to assist couples in conceiving and bearing a child and the adequacy of present coverage in light of current and evolving reproductive services technology which may produce better results.

The parties agree that as soon as practicable following the effective date of this Agreement, the Corporation—Union Committee on Health Care Benefits (CUCHCB) will gather and evaluate data relative to fertility services and determine the feasibility of delivering such services in accordance with the concepts listed below. The parties may consult with experts in the field as they proceed with such investigation, the fees for which will be charged against CUCHCB funds.

The benefit will be designed so that a common treatment approach is achieved, where appropriate. Panel providers will be credentialed who:

- are qualified in their field;
- agree to abide by a consistent treatment regimen in terms of diagnostic tests, drugs and protocols, where appropriate;
- maintain quality standards; and
- are willing to meet conditions as the parties may require.

Eligibility for services under the fertility coverage may be limited to those received from panel providers. Once

a pregnancy has been confirmed, the patient may continue obstetric services with her regular doctor.

To the extent feasible the coverage may be carved out from all plans and centered in a national reproductive services program and done in concert with the Union and their other employer partners.

The coverage may include, but is not necessarily limited to, counseling, treatment for underlying conditions of sexual dysfunction, diagnostic services, pharmaceuticals, artificial insemination, in vitro fertilization, surgical intervention, cryopreservation, transvaginal ultrasound, and donor gamete. The parties may also consider adopting:

- a set number of cycles for services (because of the declining probability of success);
- a maximum number of transfers per cycle (in order to reduce the likelihood of multiple births);
- a number of episodes of treatment that will be covered under the program or otherwise set a frequency limitation.

Based upon the results of the investigation and analysis, the parties may, upon mutual agreement, decide to implement a pilot to test the validity of the concept.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the Corporation and the Union discussed initiatives under consideration at the federal government level to provide prescription drug coverage to eligible recipients of Medicare benefits. The parties agreed that if any prescription drug benefit initiatives are enacted into federal law during the term of the agreement, the Corporation-Union Committee on Health Care Benefits (CUCHCB) is authorized to evaluate the impact of the legislation on the Health Care Program. The CUCHCB shall design and implement Program changes to implement the legislation. This shall be accomplished in a manner that promotes the purposes of the Program to make available high quality, cost effective benefits for eligible enrollees. The Corporation and the Union will discuss and, by mutual agreement, make Program changes that will take the greatest advantage of government payments, tax provisions or other subsidies. In particular, the Corporation and the Union recognize and agree that the integration of such legislation with the Program shall not reduce the level

of benefits provided in the Program. To the extent allowed by law, the Corporation shall be permitted to administer the Program as a secondary payor or, at its sole discretion, as a primary payor of prescription drug benefits.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During the course of these negotiations, the parties discussed the concept of developing and implementing a health care communications strategy. The purpose would be to further educate enrollees about their health care benefits and health care issues in general. It was acknowledged that the Corporation-Union Committee on Health Care Benefits (CUCHCB) would work with the Center for Human Resources and other groups within the Corporation and the Union, as well as outside organizations, to develop and implement a communication effort to educate enrollees on the advantages of seeking quality health care in a cost-effective manner, understanding the Health Care Program, obtaining care, becoming more involved in the health care treatment decision making process and seeking out providers and community groups to discuss local quality of care issues.

It was further agreed that during the term of this agreement the following items will be specifically addressed by the CUCHCB:

1) Distributing educational materials to all enrollees to raise their awareness regarding weight management, depression, the value of exercise, and how to select a physician and/or hospital;

2) Providing for an ongoing information/ education campaign related to human organ donation; and

3) Continuing to provide educational communications raising enrollee awareness around the issues of bone marrow transplantation and the difficulties associated with finding suitable donors.

The parties agreed that one-half of the costs associated with the development of such a communication strategy would be paid through National Joint Training Funds provided under the Memorandum of Understanding—Joint Activities in the National Agreement between GM and the UAW while the remaining one-half would be paid through CUCHCB funds.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the Union and the Corporation conducted extensive discussions regarding ongoing support for the LifeMatch bone marrow screening program. The parties share the goal of offering LifeMatch at all UAW-represented GM locations. In order to accomplish this goal, it will be the responsibility of the LifeSteps program to organize LifeMatch bone marrow screening events in conjunction with biennial LifeSteps screenings, local plant blood drives and/or in conjunction with a special need that arises at a location (e.g., someone working at the plant who needs an unrelated marrow or blood stem cell donor).

LifeMatch bone marrow screenings will be funded using National Joint Training Funds. Whenever possible, alternative sources of funding will be sought through the National Marrow Foundation, the National Marrow Donor Program and other entities.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the nationwide expansion of the UAW-GM health promotion program.

The parties agreed to designate representatives from the GM Department of the UAW International Union Benefits Staff, GM Health Care Initiatives and, if appropriate, the UAW-GM CHR Health and Safety, to form a Health Promotion Workgroup (the Workgroup) which will be responsible to the Corporation-Union Committee on Health Care Benefits (CUCHCB).

Among other activities, LifeSteps will focus on reduction of factors which place employees at high risk of disease - high blood pressure, high levels of cholesterol in the blood, excess weight and tobacco use. It also will focus on prevention of the spread of AIDS. Among other tools to be used by the Workgroup are voluntary health assessment questionnaires and risk appraisals to be completed by participating employees and biometric screening as approved by the CUCHCB. The parties have discussed smoking cessation programs, have acknowledged that such programs are beneficial and agree that the Workgroup should review the effectiveness of such programs in use.

The parties further agreed to the following:

- Upon request by joint local plant leadership, expand the existing LifeSteps model for active employees from Flint, MI and Anderson, IN to all

UAW-represented General Motors locations. The expansion will include certain in-plant components (LifeSteps questionnaires, biometric screenings on a biennial basis, wellness support classes), as well as the use of the LifeSteps.com website, and other health information tools. The LifeSteps model for active employees will include a 50% office visit voucher for Traditional indemnity and PPO option enrollees found to have significant risks (as defined by the parties) identified as the result of a LifeSteps biometric screening.

- Retired employees and dependents of active and retired employees will have access to LifeSteps.com, periodic LifeSteps communications and health information, as well as periodic LifeSteps questionnaires by mail.

- Allow UAW workers at all locations time off the job to participate in a health screening once every two years. The schedule for screenings must be approved by local management, consistent with operational needs and other plant activities.

- Increase involvement with health plans and carriers to avoid redundancies and reinforce health improvement interventions, such as disease management.

- Develop additional health intervention strategies such as weight loss, nutrition education, exercise programs and others deemed appropriate by the CUCHCB. Such strategies will be made available to GM locations for implementation. Should the local parties desire to add additional programs, they must obtain approval from the CUCHCB.

- Develop and implement metrics to measure and evaluate the functioning of the entire LifeSteps program on an annual basis.

Any unresolved issues will be addressed by the national parties through the CUCHCB. The CUCHCB will approve the national program specifics and implementation plan, prior to implementation. The LifeSteps program will be paid for by Corporate funds.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
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WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed development, in Southeast Michigan, of a pilot where a Fitness Center Network will be tested. The pilot will be made available to all UAW active and retired employees and their dependents and will offer discounted membership fees to be paid fully by enrollee. The parties agreed to designate representatives from the GM Department of the UAW International Union Benefits Staff, GM Health Care Initiatives and, if appropriate, the UAW-GM CHR Health and Safety, to form a Fitness Center Network Workgroup (the Workgroup) which will be responsible to the Corporation-Union Committee on Health Care Benefits (CUCHCB). The Workgroup will jointly develop criteria for identifying and selecting vendors for the Network and provide them to the CUCHCB for approval.

The target date for implementation will be April 1, 2004. The pilot will be evaluated after one full year of operation.

Assuming that it is successful, it will be expanded to other metropolitan areas with significant UAW-GM populations, beginning with those areas linked to the UAW-GM Community Health Initiatives effort.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
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WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties reaffirmed the use of a national network for the delivery of certain durable medical equipment and prosthetic and orthotic appliances. The National Durable Medical Equipment (DME) / Prosthetic and Orthotic Appliance (P&O) Network is consistent with the overall Health Care Program goals of quality care and cost effectiveness and maintains the same covered DME/P&O items and services as provided under Appendix A, III.I. of the Program with appropriate accessibility standards.

The Corporation and the Union agreed that Blue Cross Blue Shield of Michigan (BCBSM) in conjunction with Northwood National Provider Network, Inc.(NNPN) should administer the National DME/P&O Network pursuant to Appendix A, III.I. of the General Motors Health Care Program for Hourly Employees (the Program). It is recognized that the local medical carriers will continue to be responsible for DME/P&O items received in a hospital or a skilled nursing facility. Local medical carriers will also be responsible for specific additional items, where appropriate. This includes, but is not limited to, items received through a physician's office, when NNPN determines that the local carrier should be responsible, in accordance with Program standards.

Under the National DME/P&O Network, participating providers will be required to meet both credentialing and quality assurance standards. For covered items,

participating providers will accept the network fee schedule amount as reimbursement in full.

When covered items are received from non-network providers, reimbursement will be equal to the network fee schedule amount. BCBSM/NNPN will assure access levels acceptable to the parties and will assure that the providers understand the DME/P&O provisions of the Program.

The Corporation-Union Committee on Health Care Benefits (CUCHCB) may commission independent audits of BCBSM/NNPN to assure that the highest quality, access, service, professional standards and express commitments set forth are maintained. The CUCHCB will monitor the carriers' performance and address any shortcomings with appropriate action up to and including changing carriers. Additionally, prior to the expiration of the 2003 Agreement, the CUCHCB will arrange for completion of an evaluation of BCBSM/NNPN and other potential carriers and, based on such evaluation, consider appropriate changes in carrier selection(s).

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed streamlining the structure of the Appendix B Mental Health and Substance Abuse coverage by consolidating the functions of the Central Diagnostic Referral agencies (CDR), the Central Review Organization (CRO), and the carrier under one vendor. The parties will charge the vendor with the responsibility for encouraging appropriate medical practices, enhancing quality of care and promoting efficient use of resources. Additional vendor goals will be to:

1) Ensure enrollees receive high quality, cost-effective services;

2) Enhance enrollee servicing;

3) Improve pricing;

4) Avoid duplication of effort; and

5) Ensure the adequacy of mental health networks and specialty providers.

An RFP will be developed jointly by the parties and a competitive bid process will be completed. In developing the related requests for proposal or quotation, the parties will take into account the findings of the EAP Operational Review by I. Wrich & Associates, Inc., dated December 8, 1997, and input from the UAW-GM Work/Family Program staff.

Selection and implementation of a vendor by the Corporation-Union Committee on Health Care Benefits will be targeted for January 1, 2005. The functions of the CDR, the CRO, and the carrier may be consolidated under the responsibility of the selected vendor.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This will confirm our understanding to implement a drug approval process under the prescription drug coverage as soon as practicable following the effective date of this Agreement. This process is intended to identify and evaluate FDA-approved drugs and biologicals for possible exclusion or limitation under the prescription drug coverage of the Health Care Program. The process may focus on medications that offer minimal improvements over existing agents, medications with safety concerns, and high cost medications. The Parties agree some of these products do not offer any innovation or advances in therapy but are higher in price and therefore not adding additional value to the Program. This process will not apply to new medications that are FDA-approved to treat cancer, infections, and HIV/AIDS.

The Carrier will identify new or existing products which are expected or shown to be of concern. An independent consultant to be jointly selected by the parties will develop recommendations for inclusion, inclusion with limitations or exclusion from the Program. Drugs will be automatically included, unless the parties agree to exclude or limit them, or they are

otherwise excluded under the Program. The Carrier will implement the decisions of the parties with respect to the recommendations.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Attention: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This is to confirm the understandings reached between the parties during discussions concerning the Traditional option. Subject to the review and approval of the parties, the Control Plan will assure development, implementation, and overseeing of the Traditional Care Networks as replacements for the Traditional option. The Traditional Care Networks will have the following features:

- The Traditional Care Networks will provide core coverages described in Appendix A, through access to a panel of providers within a defined service area who have agreed to provide services under the terms of participation established by the Traditional Care Network carrier such as limits on fees, and controls on quality and utilization. In most instances, the Traditional Care Network will consist of PPO/Managed Care Networks maintained by the individual carriers. In order to receive full benefits for certain covered services, enrollees must obtain such services through the panel of providers and predetermination and review procedures must be followed per Art. II, 4(c) of the General Motors Health Care Program for Hourly Employees (the Program), including sub-paragraphs (1) through (3).

- The Traditional Care Network carriers assume responsibility for conducting utilization reviews, predetermination of services, or other reviews

necessary to promote quality of care and control costs. The Traditional Care Network carriers may place the panel physician at financial risk through capitation, withholding of a percentage of fees, or other mechanisms, or if not, will have other means to monitor and control utilization by individual providers on a continuous basis.

- Subject to the review and approval of the parties, the Traditional Care Network carriers assume responsibility for selection and periodic evaluation of hospitals, physicians, laboratories, and other providers to ensure sufficient numbers and types of providers who are geographically distributed to allow adequate access for enrollees within a service area as defined by the carrier.

- The Traditional Care Network carriers assume responsibility for providing the scope and level of benefits set forth in Appendix A, monitoring the appropriateness of referrals to non-panel providers, taking affirmative corrective action with respect to providers when necessary, and implementing and maintaining other administrative processes as mutually agreed to by the parties.

- For select geographic locations and/or carriers, payment for covered services provided by non-panel providers, unless the enrollee is referred by a panel provider or resides outside of the carrier's defined service area, will be 90% of the non-panel provider's reasonable and customary charge as determined by the carrier for the same service or, if less, the actual charge. The reimbursement to providers by the Traditional Care Network carrier will be reduced to reflect any waiver or forgiveness by a provider of the remaining 10%. The 90% limitation on payment for charges payable to non-panel providers by the Traditional Care Network carrier shall not be applicable (i) to an individual who has incurred personal expense under this provision of $250.00 for such covered services in a

calendar year (with the exception of personal expenses for office visits defined below) or (ii) to the covered members of the enrollee's family, if any, after the enrollee and such members have incurred a total of $500.00 in personal expense under this provision for such covered services in the same calendar year (with the exception of office visits defined below).

- Upon implementation of the Traditional Care Network, select services currently covered under the Preferred Provider Organization Option of the Program will be covered under the Traditional Care Network when services are provided by a panel provider. These services shall be limited to:

  1. Well baby care as defined under App. A, III.E.3.o;
  2. Immunizations and vaccinations as defined under App. A, III.E.3.p; and
  3. Screenings as defined under App. A, III.E.3.s.

When the above services are provided to Traditional Care Network enrollees living outside of the defined service area by a provider participating with the carrier, the services will be covered as if they had been provided by a panel provider. If a non-panel, non-participating provider is utilized for the above services by an enrollee living outside of the defined service area, the Program will pay the non-participating reasonable and customary rate, and a balance bill to the enrollee may occur.

In addition to the select services identified above, office visits as defined under App. A, III.E.3.n. of the Program will be covered, subject to a coinsurance of 100% when services are provided by a panel provider. Office visits will be covered for a non-panel provider with a referral from a panel provider. Coinsurance amounts related to office visits will not be applied to the out-of-pocket maximum personal expense defined above.

- Under the Traditional Care Network, benefits may be payable in full (up to the carrier's reasonable and customary charge level) for services rendered by non-panel providers if such services are rendered on referral from a panel physician, subject to the conditions below:

  1. The panel provider is responsible for reporting all enrollee referrals for out-of-network services. Referrals to non-panel providers must be communicated to the carrier per the carrier's program guidelines.
  2. The carrier is responsible for monitoring referral frequency and patterns, and for ensuring that additional costs are not incurred by the Program or the enrollee.
  3. Referral does not apply to well baby care, immunizations, or screenings as defined above. These are not covered services if rendered by a non-panel provider unless the enrollee lives outside of the defined service area.
  4. A service which would not otherwise be a covered service does not become a covered service by virtue of a referral.

- A procedure will be available for carriers to hold the enrollee harmless, up to the limits of coverage, for: (1) errors of commission or omission over which the enrollee has no control or (2) in instances where participating or non-participating provider charges exceed usual, customary, reasonable reimbursement rates for covered services. This procedure shall be published in the Administration Manual. The carriers shall require participating providers to hold the enrollee harmless from the provider's errors of commission or omission. If an enrollee receives covered services from a non-network par provider, the provider will accept payment from the carrier as payment in full.

- Mental Health and Substance Abuse coverage will continue to be administered in accordance with the terms and conditions of Appendix B.

The Traditional Care Network will be implemented by July 1, 2004. All decisions of the Control Plan are subject to review and approval by the parties prior to implementation of the Traditional Care Networks.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

NOTES

K# 4022 113,000 ~

Vol. 3

Supplemental Agreement

Covering

LIFE AND DISABILITY BENEFITS PROGRAM

9/7/04

14900

Exhibit B

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

dated

September 18, 2003

Effective 10/6/03 - 9/14/07

TABLE OF CONTENTS

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INDEX TO OTHER LIFE AND DISABILITY BENEFITS ITEMS

EXHIBIT B

SUPPLEMENTAL AGREEMENT

(Life and Disability Benefits Program)

SUPPLEMENTAL AGREEMENT (LIFE AND DISABILITY BENEFITS PROGRAM)

On this eighteenth day of September 2003, General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, on behalf of the employees covered by the Collective Bargaining Agreement of which this Supplemental Agreement becomes a part, agree as follows:

Section 1. Establishment of Program

Subject to the approval of its Board of Directors the Corporation will establish an amended Life and Disability Benefits Program, hereinafter referred to as the "Program", a copy of which is attached hereto as Exhibit B-1 and made a part of this Agreement to the extent applicable to the employees represented by the Union and covered by this Agreement as if fully set out herein, modified and supplemented, however, by the provisions hereinafter. In the event of any conflict between the provisions of the Program and the provisions of this Agreement, the provisions of this Agreement will supersede the provisions of the Program to the extent necessary to eliminate such conflict.

In the event that the Program is not approved by the Board of Directors of the Corporation, the Corporation, within 30 days after any such disapproval, will give written notice thereof to the Union and this Agreement shall thereupon have no force or effect. In that event the matters covered by this Agreement shall be the subject of further negotiation between the Corporation and the Union.

Section 2. Financing

(a) The Corporation agrees to pay the contributions due from it for the Program in accordance with the terms and provisions of Exhibit B-1.

(b) The Corporation by payment of its contributions shall be relieved of any further liability with respect to the benefits provided under the Program, except as otherwise may be required by the Employee Retirement Income Security Act of 1974.

(c) Corporation contributions shall be in accordance with this subsection (c) for Basic Life, Extra Accident and Survivor Income Benefit Insurance continued while on layoff pursuant to the provisions of Article III, Section 2(b)(1) of the Program as follows:

(1) In any month during which the employee is continuously laid off for one of the reasons set forth in Article V, Section 6 of the Program, and with respect to such month receives no earnings from the Corporation, the Corporation shall provide continued coverages as set forth in the following Schedule:

SCHEDULE OF INSURANCE CONTINUANCE FOR EMPLOYEES LAID OFF AS DEFINED UNDER THIS PROGRAM

Years of Seniority* as of Last Day Worked Prior to Layoff	Maximum Number of Months for Which Coverage Will be Continued Without Cost to Employee
Less than 1	0
1 but less than 2	4
2 but less than 3	6
3 but less than 4	8
4 but less than 5	10
5 but less than 10	12
10 and over	24

* For the purpose of this Schedule, Seniority is as defined under Article V, Section 3 of the Program.

(2) With respect to any period of continuous layoff, changes in an employee's seniority subsequent to the date layoff begins shall not change the number of months of Corporation contributions for which such employee is eligible.

(d) Unless otherwise specifically provided herein, the Corporation shall pay all expenses incurred by it in the administration of the Program.

Section 3. Corporation Options

The options afforded the Corporation to provide a plan of benefits supplementary to state plan benefits or to substitute a private plan of benefits for state plan benefits as provided in Sections 4(a) and 4(b), respectively, in Article I of the Program shall not be exercised except by mutual agreement between the Corporation and the Union.

Section 4. Administration

(a) The Corporation shall have the responsibility for administration of the Program.

(b) Each year the Corporation will furnish the Union the following information with respect to coverages provided under Article II of the Program:

(1) number of employees covered for Sickness and Accident, and Extended Disability Benefit coverages, by base hourly rate bracket and by coverage, and total aggregate amount in effect for each such coverage;

(2) separately for Basic Life and Extra Accident Insurance, the number of employees under age 65 insured, by base hourly rate bracket and age, and total aggregate insurance in effect for each such coverage during December of the preceding calendar year;

(3) number of employees age 65 and over insured for Continuing Life Insurance and aggregate insurance in force, by base hourly rate bracket and age, during December of the preceding calendar year;

(4) number of retired employees insured for Basic Life Insurance and Continuing Life Insurance and aggregate insurance in force, by base hourly rate bracket and age, during December of the preceding calendar year;

(5) average number of lives covered for Basic Life, Sickness and Accident, Extended Disability Benefit, and Continuing Life coverages, by coverage, in the preceding calendar year;

(6) unit premiums, total premiums paid, claims paid, increase in claim reserves, and claims incurred, by type of coverage, for the preceding calendar year;

(7) increase in reserves, by type of reserve, during the preceding calendar year and amount of reserves, by types of reserve, at the end of the preceding calendar year;

(8) interest allowed on reserves, expenses and taxes, net cost, refund of excess premiums, and employee contributions, for the preceding calendar year;

(9) separately for Basic Life and Extra Accident Insurance, the number of insured employee deaths by total amount paid (in $500 brackets), age (in 5-year brackets) and sex of deceased for the preceding calendar year;

(10) separately for Basic Life and Extra Accident Insurance, the number of insured retired employee deaths by total amount paid (in $500 brackets), age (in 5-year brackets) and sex of deceased for the preceding calendar year;

(11) number of Survivor Income Benefit Insurance claims, separately for such claims which involve transition benefits only and for such claims which involve both transition and bridge benefits, with the first payment made during the preceding calendar year, by survivor class and by age of survivor at date of employee's death;

(12) for Survivor Income Benefit Insurance claims with the first payment made during the preceding calendar year, the present value at commencement of such claims, separately for such claims which involve transition benefits only and for such claims which involve both transition and bridge benefits;

(13) for Survivor Income Benefit Insurance claims terminated during the preceding calendar year, the number of claims, the average number of payments made, and total amount paid, by reason of termination

(death, marriage, maximum payment, waivers, age), separately for such claims which involve transition benefits only and for such claims which involve both transition and bridge benefits;

(14) monthly average number of employees covered for Sickness and Accident Benefits in the preceding calendar year, and number of claims, amount, average duration (including and excluding waiting period), average gross weekly benefit, average weekly amount of Social Security Benefit offset, and average daily benefit of Sickness and Accident Benefit claims closed during the preceding calendar year, by sex. Such information will exclude pregnancy claims and California claims;

(15) number of Sickness and Accident Benefit claims closed during the preceding calendar year, by duration (including and excluding waiting period), type of claim (Illness: hospitalized, non-hospitalized, outpatient surgery for which a benefit of $25 or more was payable; Accident: hospitalized occupational, hospitalized non-occupational, non-hospitalized occupational, non-hospitalized non-occupational, occupational outpatient surgery for which a benefit of $25 or more was payable, non-occupational outpatient surgery for which a benefit of $25 or more was payable), and sex. Such information will exclude pregnancy claims and California claims;

(16) with respect to Extended Disability Benefit claims for which first payment was made during the preceding calendar year, number of claims, average gross monthly benefit, average monthly amount of each benefit offset (pension, workers compensation, Social Security, other), and average net monthly benefit, by sex, age (5-year brackets), and full Years of Participation;

(17) for Extended Disability Benefit claims terminated during the preceding calendar year, the number of claims and the average number of payments

made, by reason of termination (recovery, death, age 65, maximum duration, waiver), by age at commencement of benefit (5-year brackets), and sex;

(18) number of employees insured for Optional Life Insurance, by age (5-year brackets) and insurance schedule, during December of the preceding year;

(19) for Optional Life Insurance, total premium paid, interest allowed on reserves, expenses and taxes, claims paid, claims pending, liability for unreported claims, claims incurred, premium stabilization reserve, and surplus, at the end of the preceding calendar year;

(20) for Optional Life Insurance, the number of claims paid by age (5-year brackets) and insurance schedule during the preceding calendar year;

(21) number of employees insured for Dependent Life Insurance, by age (5-year brackets) and insurance schedule, during December of the preceding year;

(22) for Dependent Life Insurance, total premium paid, interest allowed on reserves, expenses and taxes, claims paid, claims pending, liability for unreported claims, claims incurred, premium stabilization reserve, and surplus, at the end of the preceding calendar year;

(23) for Dependent Life Insurance, the number of claims paid by employee age (5-year brackets) and insurance schedule (distinguishing between spouse and child), during the preceding calendar year;

(24) number of employees insured for Personal Accident Insurance, by insurance schedule, during December of the preceding year;

(25) number of retired employees insured for Personal Accident Insurance, by insurance schedule, during December of the preceding year;

(26) for Personal Accident Insurance, total premium paid, interest allowed on reserves, expenses and taxes, claims paid, claims pending, liability for unreported claims, claims incurred, premium stabilization reserve, and surplus, at the end of the preceding calendar year;

(27) for Personal Accident Insurance, the number of claims paid by insurance schedule, separately by employees and retired employees, during the preceding calendar year.

(c) A representative of the Corporation and the Union will review a copy of the Group Insurance contract and any riders or amendments thereto. In the event of any conflict between the provisions of the contract and any riders or amendments thereto and the provisions of this Supplemental Agreement, the Corporation shall have the Group Insurance contract and any riders or amendments thereto modified so that provisions of such contract document shall be in agreement with the provisions of this Supplemental Agreement.

(d) A Committee composed of an equal number of members designated by the Union and an equal number of members designated by the Corporation shall be established to study and evaluate the coverages provided under Article II of the Program, to make recommendations to the Carrier, and to implement pilot programs, for the purpose of improving the functioning of such coverages and reducing costs, while continuing to provide the level of the benefits under, and consistent with the intent of, such coverages. In the performance of its duties, this Committee shall consult with and advise representatives of the Carrier providing such coverages and keep the parties to the Collective Bargaining Agreement informed with respect to the problems which arise in the operation of such coverages.

Section 5. Coverages During Union Leave of Absence

(a) An employee who is on leave of absence requested by the Local Union to permit such employee to work for the Local Union may continue, until the date such leave or any extension thereof ceases to be operative, all coverages provided in Article II of the Program. The employee shall pay 60¢ per month per $1000 of Basic Life Insurance for Basic Life, Extra Accident and Survivor Income Benefit Insurance, $5.00 per month for Sickness and Accident and Extended Disability Benefit coverages, and the full cost of Optional and Dependent Life Insurance and Personal Accident Insurance.

(b) An employee who is on leave of absence granted under Paragraph (109a) of the Collective Bargaining Agreement may continue, until the date such leave or any extension thereof ceases to be operative, Basic Life, Extra Accident, Survivor Income Benefit, Optional Life and Dependent Life Insurance. The employee shall contribute 60¢ per month per $1000 of Basic Life Insurance for Basic Life, Extra Accident and Survivor Income Benefit Insurance, and the full cost of Optional and Dependent Life Insurance and Personal Accident Insurance.

(c) Furthermore, such leaves of absence existing on the applicable effective date of the amended Program for any such employees will not operate to defer the effective dates of any such coverages for such employees under the Program.

Section 6. Coverages Following Loss of Seniority

The provisions of Article III, Section 5(a) to the contrary notwithstanding, if an employee loses seniority under the Collective Bargaining Agreement pursuant to:

(a) Paragraphs (64)(c), (64)(d), (111)(a), or (111)(b), all coverages provided under Article II shall cease as of the last day of the month in which seniority is lost;

(b) Paragraph (64)(a) or (64)(b), and if such employee is seeking to have seniority reinstated through the grievance procedure established in the Collective Bargaining Agreement, all coverages provided under Article II shall cease as of the last day of the month in which seniority is lost.

If an employee loses seniority pursuant to Paragraphs (64)(a), (64)(b), (64)(c), (64)(d), (111)(a), or (111)(b) of the Collective Bargaining Agreement, and if such employee is seeking to have seniority reinstated through the grievance procedure established in the Collective Bargaining Agreement, such employee's Basic Life, Extra Accident, Survivor Income Benefit, Optional Life, Dependent Life and Personal Accident Insurance provided in Article II of the Program may be continued while such employee's grievance is pending beyond the periods specified in (a) or (b) above. The employee shall contribute 50¢ per month per $1000 of Basic Life Insurance for Basic Life, Extra Accident, and Survivor Income Benefit Insurance, and the full cost of Optional Life, Dependent Life and Personal Accident Insurance.

The provisions of Article III, Section 5(a) to the contrary notwithstanding, if an employee loses seniority under the Collective Bargaining Agreement pursuant to Paragraphs (64)(a), (64)(b), (64)(c), (64)(d), (111)(a), or (111)(b), and if such employee has seniority reinstated through the grievance procedure established in the Collective Bargaining Agreement, but is unable to return to work because of disability, and is placed on a Sick Leave of Absence, for purposes of coverages provided under Article II such employee will be deemed to have returned to active work on the last regularly scheduled work day

prior to the day such employee would otherwise have returned to work except for such disability.

Section 7. Reinstatement of Sickness and Accident Benefit Coverage During Layoff

(a) Sickness and Accident Benefit coverage shall be reinstated, subject to the modifications set forth herein, for an employee insured for Basic Life Insurance who becomes wholly and continuously disabled while on a qualifying layoff as defined in the Supplemental Unemployment Benefit Plan or who, upon responding to recall from such layoff, is found medically disabled by the plant physician, thereby preventing return to work, or is certified by such employee's physician to be unable to return to work because of disability, and who was either eligible for a Regular SUBenefit, or a Trade Readjustment Allowance benefit such as those payable under the Trade Act of 1974, or was employed by another employer, immediately prior to becoming disabled. In addition, an employee who returns to active work with the Corporation from a permanent layoff, and becomes disabled prior to satisfying the eligibility requirements for Sickness and Accident and Extended Disability Benefit coverages set forth in Article I, Section 3(d) of the Program, shall have Sickness and Accident Benefit coverage so reinstated.

(b) The provisions of Article II, Section 6 of the Program to the contrary notwithstanding, Sickness and Accident Benefits provided hereunder for an employee who last worked prior to October 1, 1990, shall be payable only if the employee has at least one Credit Unit under the 1987 SUB Plan with respect to each Week (as defined in such SUB Plan) for which Sickness and Accident Benefits are claimed (Credit Units shall be canceled for each Sickness and Accident Benefit payable, in accordance with Article III, Section 4 of the

1987 SUB Plan). No Sickness and Accident Benefit provided hereunder shall be payable for any Week for which the Credit Unit Cancellation Base under such SUB Plan is below the applicable dollar amount at which a SUBenefit is payable in accordance with the employee's seniority as provided under Article II, Section 5(b) of the 1987 SUB Plan.

(c) Such benefits shall be payable effective the later of the day following the last day for which a Regular SUBenefit or a Trade Readjustment Allowance benefit was payable to the employee, or the first day of disability.

(d) The Sickness and Accident Benefit for any Week shall be reduced by the amount of any other disability benefit the employee receives for the same Week under a plan financed in whole or in part by another employer.

(e) Except as specifically modified herein, the payment of reinstated Sickness and Accident Benefits shall be governed by the applicable provisions of the Program with respect to Sickness and Accident Benefit coverage.

(f) Notwithstanding the provisions of Article III, Section 2(c) of the Program, if an employee on layoff becomes wholly and continuously disabled and becomes eligible for reinstated Sickness and Accident Benefits under this Section 7, the Corporation will continue Basic Life, Extra Accident and Survivor Income Benefit Insurance coverages while the employee remains wholly and continuously disabled, but not to exceed the period for which the employee is eligible to receive Extended Disability Benefits.

Section 8. GM-UAW Impartial Medical Opinion Program

Impartial Medical Opinion programs developed in accordance with the Statement of Intent (Impartial Medical Examination Review Procedure) dated November 19, 1973, which were designed to provide an impartial medical opinion in disputed Sickness and Accident Benefit cases which is final and binding upon the Corporation, the Union, the Carrier, and the employee, shall continue indefinitely, except that either party to this Agreement has the right to terminate a program effective 90 days after giving written notice of such decision to the other party. In the event a program is terminated, the administrative practices and procedures in effect prior to the establishment of the program for the plant or geographical area affected will be reinstated until a new arrangement is agreed to by the parties.

Examinations requested by the Carrier in accordance with Article II, Section 7(e) of the Program shall be performed, whenever possible, by physicians who have been designated as impartial medical examiners in accordance with agreements made between the Corporation and the Union pursuant to the Statement of Intent (Impartial Medical Examination Review Procedure) dated November 19, 1973. The opinion of such an examiner with respect to the existence of total disability as defined in Article II, Section 7(a) of the Program shall be final and binding upon the Corporation, the Union, the Carrier, and the employee.

An employee whose residence is more than forty (40) miles one way from the office where a medical examiner will perform an examination will be reimbursed, upon request, at the rate of thirty-six (36) cents per mile for miles actually driven from such residence to such physician's office and back, using the most direct route available.

A Certificate of Mailing will be obtained from the United States Postal Service whenever a notice is mailed to an employee advising such employee to report for a medical examination in accordance with Article II, Section 6(i)(2) or 7(e) of the Program.

Notwithstanding the provisions of Article II, Sections 6(i)(2) and 7(e) of the Program, the designation of a physician by the Carrier, whenever possible, shall be subject to the provisions of any Impartial Medical Opinion program applicable to the employee to be examined.

Section 9. Non-Applicability of Collective Bargaining Agreement Grievance Procedure

No matter respecting the Program as modified and supplemented by this Agreement or any difference arising thereunder shall be subject to the grievance procedure established in the Collective Bargaining Agreement between the Corporation and the Union.

Section 10. Recovery of Benefit Overpayments

If it is determined that any benefit(s) paid to an employee under a General Motors benefit plan incorporated under the GM-UAW National Agreement or any Exhibits thereto, should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to such employee and the employee shall repay the amount of the overpayment.

If the employee fails to repay such amount of overpayment promptly, the Corporation, on behalf of the applicable benefit plan, shall arrange to recover the amount of such overpayment from any monies then payable, or which may become payable, to the employee in the form of wages or benefits payable under a General Motors benefit plan (excluding the General Motors Hourly-Rate Employees

Pension Plan) incorporated under the GM-UAW National Agreement or any Exhibits thereto.

Section 11. Amounts of Life Insurance in States With Insurance Laws Which Conflict With Insurance Policy Provisions

The Basic Life, Optional Life and Dependent Life Insurance Programs shall be administered in compliance with applicable state laws to the extent legally required and to the extent such laws are not preempted by federal law.

Section 12. Payment of Basic Life Insurance Under an Accelerated Benefits Option

(a) ***Requirements***

A terminally ill employee or retiree who has a life expectancy not to exceed 12 months, may access a portion of Basic Life Insurance.

(b) ***Eligibility for Benefits***

An employee or retiree is eligible for payment of an accelerated benefit if at the time the employee, retiree or a legal representative applies for the payment, Basic Life Insurance is in effect and the employee or retiree meets the requirements specified in (a) above.

(c) ***Amount Available for Accelerated Benefit Payment***

The maximum amount of the accelerated benefit is 50% of the amount of the Basic Life Insurance in force as of the date the insurance company accepts that all requirements are met.

If Basic Life Insurance will be reduced within twelve months of the date the accelerated benefit is approved, such payment will be limited to 50% of the fully reduced amount of coverage.

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
Ron Gettelfinger	G. Richard Wagoner, Jr.
Richard Shoemaker	Gary L. Cowger
Jim Beardsley	Troy A. Clarke
Henderson Slaughter	John R. Buttermore
Joe Spring	Dean W. Munger
Bill Stevenson	Thomas A. Croskey
Dave Curson	Francis S. Jaworski
Jim Shroat	Carleton V. Matzelle
Ron Bieber	Gary N. Pheley
Scott Campbell	Jean L. Rose
Antonio Ortiz	Arthur R. Schwartz
Tom Walsh	Jay C. Wilber
Tom Weekley	L. L. Williams
Willie Williams	Rex R. Blackwell
Leon Skudlarek	John P. Cardiero
Esther Campbell	Leon P. Cornelius
Harold Cox	Donald E. Frazier
Greg Fedak	Anita Riddle Johnson
Mark Kelly	Larry E. Knox
Faye McAfee	Terry Lee
Rick McKiddy	Cheryl A. Ollila
Paul Mitchell	Alejandro J. Perez
Harold Shelton	D. Scott Sandefur
David Shoemaker	John L. Behnfeldt
Lawrence Smith	Bruce E. Bradley
Maurice Staten	W. Gary Bryant
Cindy Suemnick	Kevin W. Cobb
Larry Szumal	Stuart R. Cohen
Ron Brogan	Preston M. Crabill
Bob Bueno	Leigh J. Dushane
Midge Collette	Andrea M. Ebbitt
Mark Hawkins	Ruth V. Fluegge
Jim Jenkins	Daniel G. Galant
Lee Jones	Michael A. Hall
Mike Jones	Ralph E. Hanson
Larry Kuk	David T. Hosea
Rick O'Donnell	Michael G. Houghton
Darrell Shepard	Elizabeth A. Keys
Clyde Sims	James W. LaLonde
Ray Allen	Terry J. McDougall
Paul Allmand	Robert D. Moroni
Gordon Andrews	Daniel J. Osborne
Nate Beardsley	Joseph J. Piechocki

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
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Bryan Czape	Paul E. Brasseur
Shelley Czeizler	Peter J. Buczek
Steve Czerneski	Rosemarie C. Bush
George Dakuras	Derrick Campbell
Dick Diffin	Maria T. Cantu
Terry Dolan	Magdalena T. Chavez
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Scott Farraday	Michael V. Coletta
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Charlie Gross	Diane M. Downs
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Frank Hammer	Edward L. Driver
Bill Hayes	Kevin B. Duff
Ken Holder	Randi C. Dulaney
Diana Hrovatin	Joan M. Ebner
Mohammed Isa	Anthony Echols
Dave Kagels	Harry Fischer
Jim King	Patrick R. Frazee
Tom Kinman	Kit Frohardt-Lane
Pete Korolenko	Dawn D. Gallinger
Dave Koscinski	Diana Gowing
Dan Lack	Cynthia M. Haley
James Lake	Robert T. Hart
Diane Lawton	Sandra A. Heard
Randy Lentz	Valerie Howard

Payment of an accelerated benefit will reduce the amount of Basic Life Insurance payable at death. The total of the accelerated benefit payment and the amount payable at death may never exceed the amount which would have been payable without the accelerated benefit provision.

(d) ***Exclusions***

An accelerated benefit will not be payable if (1) all or a portion of an employee's or retiree's Basic Life Insurance is to be paid to a former spouse of the employee as part of a divorce agreement; (2) the employee or retiree is making contributions for Basic Life Insurance; or (3) a totally and permanently disabled employee or retiree is drawing out their life insurance benefits.

(e) ***Notice and Proof of Claim***

The benefit will be payable only following receipt of a claim form and certification acceptable to the insurance company from a physician confirming that the employee or retiree meets the requirements in (a) above.

The insurance company shall have the right and opportunity to have medical examinations of the employee or retiree made by a physician or physicians designated by it.

(f) ***Payment of Accelerated Benefits***

Accelerated benefits are payable only if the employee or retiree is living when payment is made. Accelerated benefits are payable in a lump-sum. No other payment options are available.

An employee or retiree may receive an accelerated benefit payment only once, regardless of the amount elected.

Section 13. Duration of Agreement

This Agreement and Program as modified and supplemented by this Agreement shall continue in effect until the termination of the Collective Bargaining Agreement of which this is a part.

In witness hereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
REG MCGEE	JAN HUBBELL
STEVE MCLIMANS	SONDRA P. HUDDLESTON
GREG NELSON	THOMAS J. IRELAND
DON NEWTON	JOSEPH L. JARJOSA
KRIS OWEN	THOMAS F. JELENEK
ED PARKER	BARRY R. JOHNSON
LINDA PATTON	JEFFREY W. JOHNSON
RITA PERSINGER	LESLIE E. JONES
STEVE RAICH	DAVID S. KADY
FRED RASPBERRY	DONALD KARPINSKI
BONNI REFFITT	JAMES J. KEENAN
LORENZO RIVERA	MICHAEL W. KENERSON
JOHN RUPP	RICHARD J. KILLEWALD
RUSS RUSSAW	WILLIAM B. KILGORE
BILL SAVAGE	CYNTHIA KIRMAN
JIM SAYLOR	JO ANN KITCHEN
RENE SCHUTTE	DARYL L. KLINKO
BILL SCRASE	DAVID A. KUNKLE
DARRELL SMITH	ELIZABETH M. LAMARRA
JAMES STEVENS	TIMOTHY H. LEE
STAN STOKER	TIFFANIE Y. LEWIS
TOM STRUCKMAN	SONJA J. LEWIS-SHELLS
CRICKETT SWEET	TED M. MAKOWIEC
LIBBY TOMASKO	GWENDOLYN D. MALONE
EDDIE TRENT	PAMELA M. MARTIS
KENNY VANHORN	MARK R. MCCARTHY
DWAYNE WALDROP	DENISE MCDONALD
RON WALKER	TIMOTHY J. MCDONALD
JOANNA WHITAKER	SALLY MCMAHON-JONES
MICHAEL WILSON	DAVID P. MIDDLETON
AL YELLE	EDWARD G. MOHR
	ANDREA V. OHINS
	SUSAN M. PANG
	CHE B. PETERSON
	BRIAN J. PFAFF
	SHARRI R. PHILLIPS
	RICHARD E. POMPA
	JOANNE M. PRITCHARD
	JULIE D. PUTRICH
	MICHAEL W. RALEIGH
	KIMBERLY REED-THOMAS
	SHAWN M. REYNOLDS
	ROBERT R. RIEGLE

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
	ANTHONY J. ROBERTS, JR.
	GERALD H. SAMUELIAN
	KATHRYN A. SAWATZKI
	MICHELLE SCHEER
	SHARON A. SCRIVEN
	BRUCE W. SMITH
	MICHAEL D. SOUTHWELL
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	LAWRENCE J. WHETSTONE, JR.
	TOM W. WICKHAM
	MARY E. WILLIAMS
	SHERRY H. WILLIAMS
	CHARLES E. WRIGHT
	MICHELLE A. YUCHA
	BRIAN E. ZIELINSKI

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Supplemental Agreement

Covering

SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN

9/7/04

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Exhibit D

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

dated

September 18, 2003

Effective 10/6/03 - 9/14/07

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INDEX TO

EXHIBIT D

2003

SUPPLEMENTAL AGREEMENT

(Supplemental Unemployment Benefit Plan)

2003 SUPPLEMENTAL AGREEMENT SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN

On this 18th day of September, 2003, General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, hereinafter referred to as the Union, on behalf of the Employees covered by the Collective Bargaining Agreement of which this Supplemental Agreement becomes a part agree as follows:

Section 1. Continuation and Amendment of Plan

(a) This Agreement shall become effective on the first Monday immediately following the effective date of the Collective Bargaining Agreement of which this Agreement is a part.

(b) The Supplemental Unemployment Benefit Plan which was attached as Exhibit D-1 to the Supplemental Agreement (Supplemental Unemployment Benefit Plan) between the parties dated September 28, 1999, shall be amended effective as of October 13, 2003, except as otherwise specified in this Agreement and the Plan and maintained by the Corporation as amended for the duration of the Collective Bargaining Agreement of which this Agreement is a part subject to the terms and conditions of the Supplemental Unemployment Benefit Plan attached to this Agreement as Exhibit D-1.

(c) Provision for payment of Benefits and Separation Payments under the Supplemental Unemployment Benefit Plan which was attached as Exhibit D-1 to the 1999 Supplemental Agreement (Supplemental Unemployment Benefit Plan) between the parties dated September 28, 1999, shall continue in full force and effect in accordance with the conditions, provisions, and limitations of such Supplemental

Unemployment Benefit Plan, as constituted, for Weeks prior to October 13, 2003. Benefits or Separation Payments paid or payable (or denied) under the Supplemental Unemployment Benefit Plan for Weeks commencing on or after the effective date of this Agreement shall reflect amendments to the Supplemental Unemployment Benefit Plan which are provided for in Section 1 of this Agreement and incorporated in Exhibit D-1 hereof. In the event revisions in the Plan are made in accordance with subsection 5(d) of this Agreement which require adjustments of payments of Benefits and Separation Payments made previously under the Plan incorporated in Exhibit D-1 hereof, such adjustments will be made within a reasonable time. No such adjustments (or payment) will be made in Benefits for Weeks commencing prior to, or in Separation Payments paid prior to, the effective date of this Agreement.

Section 2. Termination of Plan prior to Expiration Date

In the event that the Plan shall be terminated in accordance with its terms prior to the expiration date of this Agreement so that the Corporation's obligation to contribute to the Plan shall cease entirely, the parties thereupon shall negotiate for a period of 60 days from the date of such termination with respect to the use which shall be made of the money which the Corporation otherwise would be obligated to contribute under the Plan; if no agreement with respect thereto shall be reached at the end of such period, there shall be a general wage increase in the amount of the basic contribution rate then in effect, but not less than 22¢ per hour to all hourly-rate employees then covered by the Collective Bargaining Agreement which shall be applied to the base rates and incentive rates, as the case may be, in the same manner that the general increase is made applicable under Paragraph 101(c) of the Collective

Bargaining Agreement, and effective as of the date of such termination.

Section 3. Obligations During Term of Agreement

During the term of this Agreement, neither the Corporation nor the Union shall request any change in, deletion from, or addition to the Plan, or this Agreement; or be required to bargain with respect to any provision or interpretation of the Plan or this Agreement, and during such period no change in, deletion from, or addition to any provision, or interpretation, of the Plan or this Agreement, nor any dispute or difference arising in any negotiations pursuant to Section 2 of this Agreement, shall be an objective of, or a reason or cause for, any action or failure to act, including, without limitation, any strike, slowdown, work stoppage, lockout, picketing, or other exercise of economic force, or threat thereof, by the Union or the Corporation.

Section 4. Term of Agreement: Notice to Modify or Terminate

This Agreement and Plan shall remain in full force and effect without change until the termination of the Collective Bargaining Agreement of which this is a part.

Section 5. Governmental Rulings

(a) The amendments to the Plan provided for in Section 1 of this Agreement and incorporated in Exhibit D-1 hereof and which shall be implemented for Weeks beginning on or after the effective date of this Agreement shall be subject to subsequent receipt by the Corporation of rulings satisfactory to the Corporation, if such rulings are deemed necessary by the Corporation, from the United States Internal Revenue Service and the

United States Department of Labor holding that such amendments will not have any adverse effect upon the favorable rulings previously received by the Corporation that:

(1) contributions to the Fund established pursuant to the Plan constitute a currently deductible expense under the Internal Revenue Code, as now in effect, or under any other applicable federal tax law; and

(2) the Fund under the Plan qualifies for exemption from Federal income tax under Section 501(c) of the Internal Revenue Code; and

(3) contributions by the Corporation to the Fund are not treated as "wages" for purposes of the Federal Unemployment Tax, the Federal Insurance Contributions Act Tax, or Collection of Income Tax at Source on Wages, under Subtitle C of the Internal Revenue Code; and

(4) no part of any such contributions or of any payments made by the Corporation under the Plan are included for purposes of the Fair Labor Standards Act in the regular rate of any Employee:

provided, however, that if the rulings referred to in this subsection (a) are unfavorable, and are unfavorable because of provisions of the Plan, as amended, regarding Automatic Short Week Benefits, this fact shall not delay the effective date of the other amendments to the Plan.

(b) In the event that any ruling described in subsection (a) above as to the provisions of the Plan, as amended, regarding Automatic Short Week Benefits is not obtained, or having been obtained shall be revoked or modified so as to be no longer satisfactory to the Corporation; or in the event that any state, by legislation or by administrative ruling or court decision, in the

opinion of the Corporation: (i) does not permit Supplementation solely because of the provisions of the Plan, as amended, regarding Automatic Short Week Benefits, or (ii) in determining State System waiting week credit or benefits for a week, fails to treat as wages or remuneration, as defined in the law of the applicable State System, the amount of any Automatic Short Week Benefit paid for a Week which has one or more days in common with such State System week; or (iii) permits an Employee to start a waiting week or a benefit week under the law of the State System within a Week for which the Employee's Compensated or Available Hours, plus the hours for which an Automatic Short Week Benefit was paid to the Employee, total at least 40; then, but in the latter cases only with respect to Employees in such state:

(1) the Supplemental Unemployment Benefit Plan shall be amended to delete such provisions of the Plan which are the subject of such ruling, legislation, or court decision;

(2) Automatic Short Week Benefits which would have been payable in accordance with such deleted provisions of the Plan shall be provided under a separate plan or plans incorporating as closely as possible the same terms as the deleted provisions;

(3) Automatic Short Week Benefits which may become payable under such separate plan or plans shall be paid by the Corporation.

(c) If considered necessary, the Corporation shall apply promptly to the appropriate agencies for the rulings described in subsection (a) of this Section.

(d) Notwithstanding any other provisions of this Agreement or the Plan, the Corporation, with the consent of the Director of the General Motors Department of the Union, may, during the term of this

Agreement, make revisions in the Plan not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or maintain any of the rulings referred to in subsection (a) of this Section 5. Any such revisions shall adhere as closely as possible to the language and intent of provisions outlined in Exhibit D-1.

Section 6. Recovery of Benefit Overpayments

If it is determined that any benefit(s) paid to an Employee under a General Motors benefit plan incorporated under the GM-UAW National Agreement or any Exhibits thereto, should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to such Employee and the Employee shall repay the amount of the overpayment.

If the Employee fails to repay such amount of overpayment promptly, the Corporation, on behalf of the applicable benefit plan, shall recover the amount of such overpayment immediately from any monies then payable, or which may become payable, to the Employee in the form of wages or benefits payable under a General Motors benefit plan (excluding The General Motors Hourly-Rate Employees Pension Plan) incorporated under the GM-UAW National Agreement or any Exhibits thereto.

In witness hereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

INTERNATIONAL UNION, UAW

RON GETTELFINGER
RICHARD SHOEMAKER
JIM BEARDSLEY
HENDERSON SLAUGHTER
JOE SPRING
BILL STEVENSON
DAVE CURSON
JIM SHROAT
RON BIEBER
SCOTT CAMPBELL
ANTONIO ORTIZ
TOM WALSH
TOM WEEKLEY
WILLIE WILLIAMS
LEON SKUDLAREK
ESTHER CAMPBELL
HAROLD COX
GREG FEDAK
MARK KELLY
FAYE MCAFEE
RICK MCKIDDY
PAUL MITCHELL
HAROLD SHELTON
DAVID SHOEMAKER
LAWRENCE SMITH
MAURICE STATEN
CINDY SUEMNICK
LARRY SZUMAL
RON BROGAN
BOB BUENO
MIDGE COLLETTE
MARK HAWKINS
JIM JENKINS
LEE JONES
MIKE JONES
LARRY KUK
RICK O'DONNELL
DARRELL SHEPARD
CLYDE SIMS
RAY ALLEN
PAUL ALLMAND
GORDON ANDREWS
NATE BEARDSLEY

GENERAL MOTORS CORPORATION

G. RICHARD WAGONER, JR.
GARY L. COWGER
TROY A. CLARKE
JOHN R. BUTTERMORE
DEAN W. MUNGER
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Greg Nelson	Thomas J. Ireland
Don Newton	Joseph L. Jarjosa
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Linda Patton	Jeffrey W. Johnson
Rita Persinger	Leslie E. Jones
Steve Raich	David S. Kady
Fred Raspberry	Donald Karpinski
Bonni Reffitt	James J. Keenan
Lorenzo Rivera	Michael W. Kenerson
John Rupp	Richard J. Killewald
Russ Russaw	William B. Kilgore
Bill Savage	Cynthia Kirman
Jim Saylor	Jo Ann Kitchen
Rene Schutte	Daryl L. Klinko
Bill Scrase	David A. Kunkle
Darrell Smith	Elizabeth M. LaMarra
James Stevens	Timothy H. Lee
Stan Stoker	Tiffanie Y. Lewis
Tom Struckman	Sonja J. Lewis-Shells
Crickett Sweet	Ted M. Makowiec
Libby Tomasko	Gwendolyn D. Malone
Eddie Trent	Pamela M. Martis
Kenny VanHorn	Mark R. McCarthy
Dwayne Waldrop	Denise McDonald
Ron Walker	Timothy J. McDonald
Joanna Whitaker	Sally McMahon-Jones
Michael Wilson	David P. Middleton
Al Yelle	Edward G. Mohr
	Andrea V. Ohins
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	Che B. Peterson
	Brian J. Pfaff
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	Richard E. Pompa
	Joanne M. Pritchard
	Julie D. Putrich
	Michael W. Raleigh
	Kimberly Reed-Thomas
	Shawn M. Reynolds
	Robert R. Riegle
	Anthony J. Roberts, Jr.

INTERNATIONAL UNION, UAW

GENERAL MOTORS CORPORATION

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PAUL WEHRWEIN
LAWRENCE J. WHETSTONE, JR.
TOM W. WICKHAM
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SHERRY H. WILLIAMS
CHARLES E. WRIGHT
MICHELLE A. YUCHA
BRIAN E. ZIELINSKI

EXHIBIT D-1

2003 SUPPLEMENTAL

UNEMPLOYMENT BENEFIT PLAN

ARTICLE I

ELIGIBILITY FOR BENEFITS

Section 1. Eligibility for a Regular Benefit

An Employee shall be eligible for a Regular Benefit for any Week beginning on or after the effective date of this Plan, if with respect to such Week the Employee:

(a) was on a qualifying layoff, as described in Section 3 of this Article, for all or part of the Week;

(b) received a State System Benefit not currently under protest by the Company or was ineligible for a State System Benefit only for one or more of the following reasons:

(1) the Employee did not have prior to layoff a sufficient period of employment or earnings covered by the State System;

(2) exhaustion of State System Benefit rights;

(3) (i) except in New York State, the amount of pay from the Company and from any other employer(s) plus the amount of unearned pay applicable to hours of work made available by the Company but not worked for the Week equaled or exceeded the amount which disqualifies the Employee for a State System Benefit or "waiting week" credit; and

(ii) in New York State only, the amount of pay from the Company and from any other employer(s) equaled or exceeded the amount which disqualifies the Employee for a State System Benefit or "waiting week" credit; or the number of days within the Week during which the Employee worked (for the Company and for any other employer(s)) plus the number of other days within the Week during which work was made available by the Company but not worked, was 4 or more; or

(iii) because the Employee was employed full time by an employer, other than the Company;

(4) the Employee was serving a State System "waiting week" while temporarily laid off out of line of Seniority pending an adjustment of the work force in accordance with the terms of the Collective Bargaining Agreement; provided, however, that this item (4) shall not apply to model change, plant rearrangement or inventory layoffs;

(5) the Employee was on a qualifying layoff and the Week served was a "waiting week" under the State System,

(6) the Employee refused a Company work offer which the Employee had an option to refuse under a Local Seniority Agreement or which the Employee could refuse without disqualification under Section 3(b)(3) of this Article;

(7) the Employee was on layoff because the Employee was unable to do work offered by the Company while able to do other work in the Plant to which the Employee would have been entitled if the Employee had had sufficient seniority;

(8) the Employee failed to claim a State System Benefit and the Employee's pay received or receivable from the Company for the Week was less than the amount which disqualifies the Employee for a State System Benefit but was not less than such amount minus $2;

(9) the Employee was receiving pay for military service with respect to a period following release from active duty therein; or was on short term active duty of 30 days or less, for required military training, in a National Guard, Reserve or similar unit or was on short term active duty of 30 days or less because the Employee

was called to active service in the National Guard by state or federal authorities in case of public emergency;

(10) the Employee was entitled to retirement or disability benefits which the Employee received or could have received while working full time;

(11) the Employee was denied a State System Benefit and it is determined that, under the circumstances, it would be contrary to the intent of the Plan to deny the Employee a Benefit; or

(12) because of disciplinary reasons or for any of the circumstances set forth under Section 3(b)(2)(i) or Section 3(b)(4) of this Article which existed during only part of a week of unemployment under the applicable State System.

(c) has met any registration and reporting requirements of an employment office of the applicable State System, except that this subsection does not apply to an Employee (i) who was ineligible for a State System Benefit or "waiting week" credit for the Week only because of the Employee's period of work or amount of pay; (ii) who failed to claim a State System Benefit when Company pay was less than the amount which disqualifies the Employee for a State System Benefit but was not less than such amount minus $2; or (iii) who was ineligible for a State System Benefit because the Employee was on short term active duty of 30 days or less, for required military training, in a National Guard, Reserve or similar unit, or was on short term active duty of 30 days or less because the Employee was called to active service in the National Guard by state or federal authorities in case of public emergency; as specified, respectively in items (3), (8), and (9) of subsection 1(b) above;

(d) had at least 1 Year of Seniority as of the Employee's last day worked prior to qualifying layoff;

(e) did not receive an unemployment benefit under any contract or program of another employer or under any other "SUB" plan of the Company (and was not eligible for such a benefit under a contract or program of another employer with whom the Employee has greater seniority than with the Company);

(f) was not eligible for an Automatic Short Week Benefit;

(g) qualifies for a Benefit of at least $2;

(h) has made a Benefit application in accordance with procedures established by the Company hereunder and, if ineligible for a State System Benefit only for the reason set forth in item (2) of subsection 1(b) of this Article, is able to work, is available for work, and has not failed (i) to maintain an active registration for work with the state employment service, (ii) to do what a reasonable person would do to obtain work and (iii) to apply for or to accept available suitable work of which the Employee has been notified by the employment service or by the Company.

Section 2. Eligibility for an Automatic Short Week Benefit

(a) An Employee shall be eligible for an Automatic Short Week Benefit for any Week beginning on or after the effective date of this Plan, if:

(1) during such Week the Employee had less than 40 Compensated or Available Hours and

(i) performed some work for the Company, or

(ii) for such Week received some jury duty pay, bereavement pay or military pay from the Company, or

(iii) for such Week, received only holiday

pay from the Company and, for the immediately preceding Week, either received an Automatic Short Week Benefit or had 40 or more Compensated or Available Hours;

(2) the Employee had at least 1 Year of Seniority as of the last day of the Week (or during some part of such Week had at least 1 Year of Seniority and broke Seniority by reason of death or retirement under the provisions of the General Motors Hourly-Rate Employees Pension Plan);

(3) the Employee was on a qualifying layoff, as described in Section 3 of this Article, for some part of the Week, or was ineligible as defined under the Collective Bargaining Agreement for pay from the Company for all or part of a period of jury duty, bereavement or short term active duty of 30 days or less because the Employee was called to active service in the National Guard by state or federal authorities in case of public emergency during the Week and during all or part of such period the Employee would otherwise have been on qualifying layoff under this Plan.

(b) No application for an Automatic Short Week Benefit will be required of an Employee. However, if an Employee believes an Automatic Short Week Benefit is payable for a Week and such Employee does not receive a Benefit on the date when such Benefits for such Week are paid, the Employee may file written application therefor within 60 calendar days after such date. In case the Employee worked in more than one Plant in the Week, the Employee may apply at the Plant at which the Employee last worked.

(c) An Automatic Short Week Benefit payable for a Week shall be in lieu of any other Benefit under the Plan for that Week.

Section 3. Conditions With Respect to Layoff

(a) A layoff for the purposes of this Plan includes any layoff resulting from a reduction in force or temporary layoff, or from the discontinuance of a Plant or operation, or a layoff occurring or continuing because the Employee was unable to do the work offered by the Company although able to perform other work in the Plant to which the Employee would have been entitled if the Employee had had sufficient Seniority.

(b) An Employee's layoff for all or part of any Week will be deemed qualifying for Plan purposes only if:

(1) such layoff was from the Bargaining Unit;

(2) such layoff was not for disciplinary reasons, and was not a consequence of:

(i) any strike, slowdown, work stoppage, picketing (whether or not by Employees), or concerted action, at a Company Plant or Plants, or any dispute of any kind involving Employees or other persons employed by the Company and represented by the Union whether at a Company Plant or Plants or elsewhere,

(ii) any fault attributable to the Employee,

(iii) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),

(iv) sabotage (including but not limited to arson) or insurrection, or

(v) any act of God; provided, however, this subsection (v) shall not apply to any Short Work Week or to the first 2 consecutive full Weeks of layoff for which a Regular Benefit is payable in any period of layoff resulting from such cause;

(3) with respect to such Week, or any prior Week during the Employee's same continuous period of layoff from the Company, the Employee did not refuse to accept work when recalled pursuant to the Collective Bargaining Agreement and did not refuse an offer by the Company of other available work in the same Plant (or at another Plant in the same labor market area as defined in the Collective Bargaining Agreement) which the Employee had (or would have had) no option to refuse under the Local Seniority Agreement(s) of the Bargaining Unit(s) in which the Employee had Seniority, or did not refuse or fail to appear for a Company employment interview or related physical examination (unless with advance notice of Good Cause). If the offer of work or refusal or failure to appear for a Company employment interview or related physical examination occurred within the Employee's Appendix A-Area Hire area and was during the first 4 full Weeks of layoff, any disqualification for Benefits will apply only to the Week with respect to which the Employee refused the Company job offer and will not apply to a refusal or failure to appear for such interview or physical examination.

However, refusal by skilled Tool and Die, Maintenance and Construction or Power House Employees or apprentices of work other than work in Tool Room Departments, Maintenance Departments and Power House Departments, respectively, shall not result in ineligibility for a Benefit;

(4) with respect to such Week the Employee was not eligible for and was not claiming:

(i) any statutory or Company accident or sickness or any other disability benefit (except a benefit which the Employee received or could have received while working full time, and except a lost time benefit which the Employee received under a Workers'

Compensation law or other law providing benefits for occupational injury or disease, while not totally disabled and while ineligible for a sickness and accident or other disability benefit under the Life and Disability Benefits Program); or

(ii) any Company pension or retirement benefit; and

(5) with respect to such Week the Employee was not in military service (other than short term active duty of 30 days or less, including required military training, in a National Guard, Reserve or similar unit) or on a military leave.

(c) If an Employee is on short term active duty of 30 days or less, for required military training, in a National Guard, Reserve or similar unit and is ineligible under the Collective Bargaining Agreement for pay from the Company for all or part of such period solely because the Employee would be on a qualifying layoff but for such active duty, the Employee will be deemed to be on a qualifying layoff, for the determination of eligibility for not more than two Regular Benefits in a calendar year, provided, however, that this two Regular Benefit limitation shall not apply to short term active duty of 30 days or less because the Employee was called to active service in the National Guard by state or federal authorities in case of public emergency.

(d) If, with respect to some but not all of the Employee's regular work days in a Week, an Employee is ineligible for a Benefit by reason of subparagraph (b)(2) or (b)(4) of this Section (and is otherwise eligible for a Benefit), or if, with respect to some but not all of the Employee's days of qualifying layoff in a Week, the Employee is eligible for a Leveling Week Benefit, the Employee will be entitled to a reduced Benefit payment as provided in Section 1(b) of Article II.

(e) If an Employee on a qualifying layoff does not file an application for "Area Hire" under the provisions of Appendix A of the Collective Bargaining Agreement, the Plant shall place the Employee's name on the "Area Hire List" as of the Monday immediately following the Employee's 4th consecutive full Week of layoff from the Company. If, while on such "Area Hire List", the Employee refuses a Company job offer or employment interview/physical examination with what is determined by the Company to be advance notice of Good Cause (as provided under Section 3(b)(3) of this Article), the Employee will be retained on the "Area Hire List".

(f) If an Employee enters the Armed Services of the United States directly from the employ of the Company, the Employee shall while in such service be deemed, for purposes of the Plan, to be on leave of absence and shall not be entitled to any Benefit. This Section shall not affect the payment of Benefits to any Employee referred to in Section 3(c) of Article I.

(g) An Employee who attempts to return to work from sick leave of absence or military leave on or after the effective date of this Plan and for whom there is no work available in line with the Employee's Seniority and who is placed on layoff status, shall be deemed to have been "at work" on or after the effective date of this Plan.

(h) If, with respect to a Week, or with respect to any prior Week during the Employee's same continuous period of layoff from the Company, the Employee willfully misrepresents any material fact in connection with the Employee's application for Benefits under the Plan, the Employee shall be disqualified for Benefits for all Weeks of layoff thereafter during the same continuous period of layoff from the Company.

Section 4. Disputed Claims for State System Benefits

(a) With respect to any Week for which an Employee has applied for a Benefit and for which the Employee:

(1) has been denied a State System Benefit, and the denial is being protested by the Employee through the procedure provided therefor under the State System, or

(2) has received a State System Benefit, payment of which is being protested by the Company through the procedure provided therefor under the State System and such protest has not, upon appeal, been held by the Board to be frivolous,

and the Employee is eligible to receive a Benefit under the Plan except for such denial, or protest, the payment of such Benefit shall be suspended until such dispute shall have been determined.

(b) If the dispute shall be finally determined in favor of the Employee, the Benefit shall be paid to the Employee.

ARTICLE II

AMOUNT OF BENEFITS

Section 1. Regular Benefits

(a) The Regular Benefit payable to an eligible Employee for any Week beginning on or after the effective date of this Plan shall be an amount which, when added to the Employee's State Benefit and Other Compensation, will equal 95% of the Employee's Weekly After-Tax Pay, minus $30.00, to take into account work-related expenses not incurred; provided,

however, that such Benefit shall not exceed $190 for any Week with respect to which the Employee is not receiving State System Benefits because of a reason listed in item (2) or (6) of Section 1(b) of Article I and is laid off or continues on layoff by reason of having refused to accept work when recalled pursuant to the Collective Bargaining Agreement or having refused an offer by the Company of other available work at the same Plant or at another Plant in the same labor market area (as defined in Section 3(b)(3) of Article I); except that refusal by skilled Tool and Die, Maintenance and Construction or Power House Employees or apprentices of work other than work in Tool Room Departments, Maintenance Departments and Power House Departments, respectively, shall not result in the application of the maximum provided for in this paragraph.

(b) An otherwise eligible Employee entitled to a Benefit reduced, as provided in subsection 3(d) of Article I, because of ineligibility (or eligibility for a Leveling Week Benefit) with respect to part of the Week, will receive 1/5 of a Regular Benefit computed under subsection (a) of this Section for each work day of the Week for which otherwise eligible; provided, however, that there shall be excluded from such computation any pay which could have been earned, computed, as if payable, for hours made available by the Company but not worked during the days for which the Employee is not eligible for a Benefit under subsection 3(d) of Article I.

Section 2. Automatic Short Week Benefit

(a) The Automatic Short Week Benefit payable to any eligible Employee for any Week beginning on or after the effective date of this Plan shall be an amount equal to the product of the number by which 40 exceeds the Employee's Compensated or Available Hours,

counted to the nearest tenth of an hour, multiplied by 80% of the Employee's Base Hourly Rate.

(b) An Employee, who breaks Seniority during a Week by reason of death or of retirement under the provisions of the General Motors Hourly-Rate Pension Plan and is eligible for an Automatic Short Week Benefit with respect to certain hours of layoff during the Week prior to the date Seniority is broken, will receive an amount computed as provided in subsection 2(a) above based on the number by which the hours for which the Employee would regularly have been compensated exceeds the Employee's Compensated or Available Hours with respect to that part of the Week prior to the date Seniority is broken.

Section 3. State Benefit and Other Compensation

(a) An Employee's State Benefit and Other Compensation for a Week means:

(1) the amount of State System Benefit received or receivable by the Employee for the Week or the estimated amount which the Employee would have received if not ineligible therefore solely:

(i) as set forth in item (8) of Section 1(b) of Article I (concerning a Week for which the Employee's pay received or receivable from the Company was less than the amount which disqualifies the Employee for a State System Benefit but not less than such amount minus $2);

(ii) under certain of the circumstances determined to be covered by item (11) of Section 1(b) of Article I (concerning a week for which the Employee was denied a State System Benefit and it is determined that, under the circumstances, it would be contrary to the intent of the Plan to deny the Employee a Benefit); or

(iii) because of exhaustion of the Employee's State System Benefit rights (or because of insufficient covered employment/earnings prior to layoff), if the Employee had received a State System Benefit for one or more weeks of layoff during the current State System benefit year (or, if no such benefit year is in effect, during the immediately preceding benefit year) for which the Employee did not receive a Regular Benefit. Such estimated amount shall be used in the Regular Benefit calculation for a number of weeks equal to the number of weeks for which a State System Benefit was received and for which no Regular Benefit was paid under this Plan or under any other Company SUB Plan, during the applicable current, or immediately preceding, State System benefit year.

(2) all pay received or receivable by the Employee from the Company (excluding call-in pay for purposes of determining a Regular Benefit only and excluding pay in lieu of vacation), and any amount of unearned pay computed, as if payable, for hours made available by the Company but not worked, after reasonable notice has been given to the Employee, for such Week; provided, however, if the hours made available but not worked are hours which the Employee had an option to refuse under a Local Seniority Agreement or which the Employee could refuse without disqualification under Section 3(b)(3) of Article I, such hours are not to be considered as hours made available by the Company; and provided, that if wages or remuneration from employers other than the Company or military pay are received or receivable by the Employee and are applicable to the same period as hours made available by the Company, only the greater of (a) such wages or remuneration from other employers or military pay in excess of the greater of $10 or 20% of such wages or remuneration, or (b) any amount of pay which could have been earned, computed, as if payable, for hours made available by the

Company, shall be included; and further provided, that any pay received or receivable for a shift which extends through midnight shall be allocated:

(i) to the day on which the shift started if the Employee was on layoff with respect to the corresponding shift on the following day,

(ii) to the day on which the shift ended if the Employee was on layoff with respect to the corresponding shift on the preceding day, and

(iii) according to the pay for the hours worked each day, if the Employee was on layoff with respect to the corresponding shifts on both the preceding and the following days;

and, in any such event, the maximum Regular Benefit amount shall be modified to any extent necessary so that the Employee's Benefit will be increased to offset any reduction in the Employee's State System Benefit which may have resulted solely from the State System's allocation of the Employee's earnings for such a shift otherwise than as specified in this subsection; plus

(3) all wages or remuneration, as defined under the law of the applicable State System, in excess of the greater of $10 or 20% of such wages or remuneration received or receivable from other employers for such Week (excluding such wages or remuneration which were considered in the calculation under subsection (a)(2) of this Section); plus

(4) the amount of all military pay in excess of the greater of $10 or 20% of such military pay received or receivable for such Week, excluding such military pay which was considered in the calculation under subsection (a)(2) of this Section; plus

(5) The weekly equivalent of the monthly retirement benefit and fifty (50) percent of the Social

Security Old Age or Disability Benefit for an eligible Employee receiving a retirement benefit from the Company which the Employee is eligible to receive while working full time for the Company.

(b) For purposes of subparagraph (a)(1) above in determining the basis for the estimated amount of the State System Benefit which would have been received by the Employee, and for purposes of Section 1(b)(3) of Article I in determining the basis for the amount which disqualifies the Employee for a State System Benefit or "waiting week" credit, such basis for the amount shall be determined from whichever of the following amounts is applicable:

(1) if the Employee has an established and currently applicable weekly benefit rate under the State System, such benefit rate plus any dependents allowance, or

(2) in all other cases, the State System Benefit amount which would apply to an individual having the same number of dependents as the Employee and having weekly earnings equal to the Employee's Weekly Straight-Time Pay.

(c) If the State System Benefit actually received by an Employee for a state week shall be for less, or more, than a full state week (for reasons other than the Employee's receipt of wages or remuneration for such state week), because

(1) the Employee has been disqualified or otherwise determined ineligible for a portion of the Employee's State System Benefit for reasons other than set forth in Section 1(b) of Article I,

(2) the applicable state week includes 1 or more "waiting period effective days", or

(3) of an underpayment or overpayment of a previous State System Benefit,

the amount of the State System Benefit which would otherwise have been paid to the Employee for such state week shall be used in the calculation of State Benefit and Other Compensation for such state week.

Section 4. Benefit Overpayments

(a) If the Company or the Board determines that any Benefit(s) paid under the Plan should not have been paid or should have been paid in a lesser amount, written notice thereof shall be mailed to the Employee receiving the Benefit(s) and the amount of overpayment shall be returned to the Trustee or Company whichever is applicable; provided, however, that no repayment shall be required if the cumulative overpayment is $3 or less or if notice has not been given within 60 days from the date the overpayment was established or created, except that no such time limitation shall be applicable in cases of fraud or willful misrepresentation.

(b) If the Employee shall fail to return such amount of overpayment promptly:

(1) with respect to Benefits paid from the Fund, the Trustee shall arrange to reimburse the Fund for the amount of overpayment by making a deduction from any future Benefits (not to exceed an amount equal to one-half of any 1 Benefit up to a maximum of $100, except that no limit shall apply to the amount of such deductions in cases of fraud or willful misrepresentation) or Separation Payment otherwise payable to the Employee, or by requesting the Company to make a deduction from future Benefits or compensation payable by the Company to the Employee (not to exceed $100 from any 1 paycheck except in cases of fraud or willful misrepresentation), or both; and

(2) with respect to Benefits paid by the Company, the Company shall arrange to reimburse the Trustee for the amount of overpayment by making a

deduction from any future payments payable under Letter Agreements between the Company and the Union attached to this Plan or from any future Benefits (not to exceed an amount equal to one-half of any 1 Benefit, up to a maximum of $100, except that no limit shall apply to the amount of such deductions in cases of fraud or willful misrepresentation) otherwise payable to the Employee by the Company, or to make a deduction from compensation payable by the Company to the Employee (not to exceed $100 from any 1 paycheck except in cases of fraud or willful misrepresentation), or both.

(3) In addition to the provisions under subparagraphs (1) and (2) above, with respect to Benefits paid from the Fund or paid by the Company, the Trustee or Company, as applicable, may arrange for the recovery of the amount of the overpayment from any other monies or benefits then payable, or which may become payable, to the Employee under the provisions of the Collective Bargaining Agreement and/or under any of the Exhibits or Letters attached thereto.

The Company is authorized to make the deductions from the Employee's compensation as provided under subparagraph (1), (2) and (3) of this subsection, and to pay the amounts deducted to the Trustee.

(c) If the Company determines that an Employee has received an Automatic Short Week Benefit for any Week with respect to all or part of which the Employee has received a State System Benefit, the full amount of such Automatic Short Week Benefit, or a portion of such Benefit equivalent to the State System Benefit or that part thereof applicable to such Week, whichever is less, shall be treated as an overpayment in accordance with this Section.

Section 5. Withholding Tax

The Trustee or the Company shall deduct from the amount of any Benefit (or Separation Payment) any amount required to be withheld by the Trustee or the Company by reason of any law or regulation, for payment of taxes or otherwise to any federal, state, or municipal government. In determining the amount of any applicable tax entailing personal exemptions, the Trustee or the Company shall be entitled to rely on the official form filed by the Employee with the Company for purposes of income tax withholding on regular wages.

Section 6. Deduction of Union Dues

During any period while there is in effect an agreement between the Company and the Union concerning the maintaining of the Plan, the Company, upon notification by the designated financial officer of the local Union shall notify the Trustee to deduct monthly Union dues from Regular Benefits paid under the Plan and to pay such sums directly to the local Union on behalf of any Employee who has on file with the Company a written authorization providing for such deductions as set forth in the Collective Bargaining Agreement.

ARTICLE III

DURATION OF BENEFITS

Section 1. Volume Related Layoffs

An Employee, with one or more Years of Seniority, at work on or after the effective date of this Agreement will be granted full job security from volume declines, with the exception of up to 48 weeks of qualifying layoff during the term of this Agreement.

Section 2. Non-Volume Related Layoffs

An Employee, with one or more Years of Seniority, at work on or after the effective date of this Agreement and placed on a qualifying, non-volume related layoff thereafter will be eligible for SUBenefits for the duration of such layoff subject to the provisions of Article I of this Plan.

Section 3. Limitation of Duration of Benefits

If it appears that total SUB expenditures will exceed the SUB Maximum Financial Liability Cap during the term of this Agreement, the parties may take appropriate action to reduce the rate of expenditure and extend benefit duration.

ARTICLE IV

SEPARATION PAYMENT

Section 1. Eligibility

An Employee shall be eligible for a Separation Payment if the Employee:

(a) has been on layoff from the Company for a continuous period of at least 12 months (or any shorter period determined by the Company) and such layoff is not a result of any of the circumstances or conditions set forth in Section 3(b)(2) of Article I; provided, however, an Employee shall be deemed to have been on layoff from the Company for a continuous period if, while on layoff, the Employee accepts an offer of work by the Company and subsequently is laid off again within not more than 10 work days from the date reinstated; or

(b) becomes disabled and would be eligible for total and permanent disability benefits under any Company pension plan or retirement program except that the Employee does not have the years of credited service required to be eligible for such benefits; and in addition to (a) or (b) above;

(c) had 1 or more Years of Seniority on the last day the Employee was on the Active Employment Roll, and such Years of Seniority had not been broken on or prior to the earliest date on which application can be made to the Company;

(d) has not refused an offer of work pursuant to any of the conditions set forth in Section 3(b)(3) of Article I, on or after the last day worked for the Company, and prior to the earliest date on which the Employee can make application;

(e) has made application for a Separation Payment prior to 24 months (36 months in the case of an Employee who has 10 or more Years of Seniority) from the commencement date of layoff or disability, except that an Employee who meets the requirements of subsection 1(b) of this Section may make such application on or before the 30th day following the last month for which the Employee was eligible to receive an Extended Disability Benefit in accordance with Section 7 of Article II of the Life and Disability Benefits Program, provided that in the case of layoff no application may be made prior to 12 continuous months of layoff from the Company (or any shorter period determined by the Company).

Section 2. Payment

(a) A Separation Payment shall be payable only in a lump sum.

(b) Determination of Amount

(1) The Separation Payment payable to an eligible Employee shall be an amount determined by multiplying

(i) the Employee's Base Hourly Rate by

(ii) the applicable Number of Hours' Pay as shown in the following table:

SEPARATION PAYMENT TABLE

Years of Seniority on Last Day on the Active Employment Roll	Number of Hours' Pay
1 but less than 2	50
2 but less than 3	70
3 but less than 4	100
4 but less than 5	135
5 but less than 6	170
6 but less than 7	210
7 but less than 8	255
8 but less than 9	300
9 but less than 10	350
10 but less than 11	400
11 but less than 12	455
12 but less than 13	510
13 but less than 14	570
14 but less than 15	630
15 but less than 16	700
16 but less than 17	770
17 but less than 18	840
18 but less than 19	920
19 but less than 20	1000
20 but less than 21	1085
21 but less than 22	1170
22 but less than 23	1260
23 but less than 24	1355
24 but less than 25	1455
25 but less than 26	1560
26 but less than 27	1665
27 but less than 28	1770
28 but less than 29	1875
29 but less than 30	1980
30 and over	2080

(2) The amount of Separation Payment so computed shall be reduced by the amount of any Benefits paid or payable to an Employee with respect to a Week occurring after the last day worked for the Company.

(3) A Separation Payment payable hereunder shall be reduced by the amount of any payment received or receivable with respect to any layoff or separation of the Employee from the Company subsequent to the last day worked for the Company under any other "SUB" plan or plans of the Company or under any Company plan or program to which the Company has contributed.

(4) If an Employee has been paid a prior Separation Payment and thereafter was hired again by the Company within 3 years from the last day worked in the Bargaining Unit, or if the Employee received a prior Separation Payment by reason of total and permanent disability and subsequently recovers, reports for work and such Employee's Seniority is reinstated under the Collective Bargaining Agreement,

(i) Years of Seniority for purposes of determining the amount of the Employee's current Separation Payment shall mean the sum of the Years of Seniority used to determine the amount of the Employee's prior Separation Payment plus any other Years of Seniority acquired thereafter and which the Employee has on the last day on the Active Employment Roll with respect to the Employee's current Separation Payment, and

(ii) there shall be subtracted, from the Number of Hours' Pay based on the Employee's Years of Seniority determined in (i) above, the Number of Hours' Pay used to calculate the Employee's prior Separation Payment.

(5) The Separation Payment payable to an

eligible Part-Time Employee shall be reduced in the same ratio as the Employee's scheduled hours of work at time of layoff bears to 40 hours, provided, however, that if an Employee has worked as a full-time and a Part-Time Employee, the Employee's Separation Payment shall be computed by multiplying the Number of Hours' Pay indicated by the Employee's Years of Seniority on the Employee's last day on the Active Employment Roll by a fraction the numerator of which is the sum of

(i) the number of such Years during which the Employee was a full-time Employee, and

(ii) the number of such Years during which the Employee was a Part-Time Employee, adjusted by the ratio which scheduled hours of work in such Years bears to 40; and the denominator of which is the Employee's Years of Seniority on the Employee's last day on the Active Employment Roll.

Section 3. Effect of Separation Payment on Seniority

An Employee who is issued and accepts a Separation Payment (A) agrees that such Payment is a lump sum payment allocable to an inactive period ("Allocation Period") during which no other pay or benefits or rights of employment shall apply, (B) shall cease to be an Employee and shall have Seniority canceled at any and all of the Company's plants and locations as of the date the Employee's application for the Separation Payment was received by the Company ("Termination Date") for all purposes, (C) shall not be eligible to receive a special early retirement under any Company retirement plan, (D) shall not be permitted to retire under any Company retirement plan during the Allocation Period following the Termination Date, and (E) cannot grow into retirement eligibility if ineligible as of the break in

Seniority (but without prejudice to any right to a deferred vested benefit). An Employee's Allocation Period in weeks shall equal the Employee's Separation Payment divided by one-half of the unreduced Regular Benefit the Employee received, or would have received, for the current period of layoff.

An Employee eligible for an immediate pension benefit under the General Motors Hourly-Rate Employees Pension Plan, at the time of the Employee's break in Seniority (due to receipt of a SUB Separation Payment), shall upon completion of the Allocation Period and application for a pension benefit under the General Motors Hourly-Rate Employees Pension Plan become eligible for post retirement health care and life insurance on the same basis as other retirees. For purposes of applying the terms of the General Motors Hourly-Rate Employees Pension Plan, such Employees shall not be treated as deferred vested by reason of their receipt of a SUB Separation Payment. However, if an Employee has been paid a Separation Payment by reason of total and permanent disability and subsequently recovers and reports for work, the Employee's Seniority shall be reinstated as set forth in Paragraph 64(h) of the Collective Bargaining Agreement.

Section 4. Overpayments

If the Company or the Board determines after issuance of a Separation Payment that the Separation Payment should not have been issued or should have been issued in a lesser amount, written notice thereof shall be mailed to the former Employee and the former Employee shall return the amount of the overpayment to the Trustee.

Section 5. Repayment

If an Employee is again employed by the Company after receiving a Separation Payment, no repayment (except

with respect to an overpayment) of the Separation Payment shall be required or allowed; and no Seniority canceled previously shall be reinstated (except as otherwise provided under Section 3 of this Article).

Section 6. Notice of Application Time Limits

The Company shall provide written notice of the time limits for filing a Separation Payment application to all who may be eligible for such Payment. The notice shall be mailed to the last address of record not later than 30 days prior to both the earliest and the latest date as of which applications may be filed pursuant to the application time limit provisions.

Section 7. Armed Services

An Employee who enters the Armed Services of the United States directly from the employ of the Company shall while in such service be deemed, for the purposes of the Plan, as on leave of absence and shall not be entitled to any Separation Payment.

ARTICLE V

APPLICATION, DETERMINATION OF ELIGIBILITY, AND APPEAL PROCEDURES FOR BENEFITS AND SEPARATION PAYMENTS

Section 1. Applications

(a) *Filing of Applications*

An Application for a Benefit or Separation Payment shall be filed in accordance with procedures established by the Company. No application for a Benefit shall be accepted unless it is submitted to the Company within 60 calendar days after the end of the Week with respect to which it is made; provided, however, that if the amount of the Employee's State System Benefit is adjusted retroactively with the effect of establishing a basis for eligibility for a Benefit or for a Benefit in a greater amount than that previously paid, the Employee may apply within 60 calendar days after the date on which such basis for eligibility is established.

(b) *Application Information*

Applications filed for a Benefit or a Separation Payment under the Plan will include:

(1) in writing, if required, any information deemed relevant by the Company with respect to other benefits received, earnings and the source thereof, dependents, and such other information as the Company may require in order to determine whether the Employee is eligible to be paid a Benefit or Separation Payment and the amount thereof; and

(2) with respect to a Regular Benefit, the exhibition of the Employee's State System Benefit check or other evidence satisfactory to the Company of either the Employee's

(i) receipt of or entitlement to a State System Benefit, or

(ii) ineligibility for a State System Benefit only for one or more of the reasons specified in Section 1(b) of Article I; provided, however, that in the case of State System Benefit ineligibility by reason of the period worked in the Week or pay received from the Company or from any other employer(s) as specified in item (3) of Section 1(b) of Article I, State System evidence for such reason of ineligibility shall not be required.

Section 2. Determination of Eligibility

(a) *Application Processing by Company*

When an application is filed for a Benefit or Separation Payment under the Plan and the Company is furnished with the evidence and information required, the Company shall determine the Employee's entitlement to a Benefit or a Separation Payment.

(b) *Notification to Trustee to Pay*

If the Company determines that a Benefit other than an Automatic Short Week Benefit, or a Separation Payment is payable, it shall deliver prompt written notice to the Trustee to pay the Benefit or Separation Payment.

(c) *Notice of Denial of Benefits or Separation Payment*

If the Company determines that an Employee is not entitled to a Benefit or to a Separation Payment, it shall notify the Employee promptly, in writing, of the reason(s) for the determination.

(d) ***Union Copies of Certain Applications, Determinations and Letters***

The Company shall furnish promptly to the Union member of the Local Committee a copy of each application for a Separation Payment, a copy of all Company determinations of Benefit or Separation Payment ineligibility or overpayment and a copy of any letter sent to a disabled Employee advising the Employee of possible eligibility for a Separation Payment by reason of total and permanent disability.

Section 3. Appeals

(a) ***Applicability of Appeals Procedure***

(1) The appeals procedure set forth in this Section may be employed only for the purposes specified in this Section.

(2) No question involving the interpretation or application of the Plan shall be subject to the grievance procedure provided for in the Collective Bargaining Agreement.

(b) ***Procedure for Appeals***

(1) ***First Stage Appeals***

(i) An Employee may appeal from the Company's written determination (other than determinations made in connection with Section 1(b)(11) of Article I) with respect to the payment or denial of a Benefit or a Separation Payment by filing a written appeal with the Local Committee on a form provided for that purpose. In situations where a number of Employees had filed applications for Benefits or Separation Payments under substantially identical conditions, an appeal may be filed with respect to one of such Employees, in accordance with procedures established by the Board, and the decision thereon shall

apply to all such Employees. If there is no Local Committee at any Plant because of a discontinuance of such Plant, the appeal may be filed directly with the Board. Appeals concerning determinations made in connection with Section 1(b)(11) of Article I (contrary to intent of Plan) shall be made directly to the Board.

(ii) The appeal shall be filed with the designated Company representative within 30 days following the date of mailing of the determination appealed. If the appeal is mailed, the date of filing shall be the postmark date of the appeal. No appeal will be valid after the 30-day period.

(iii) The Local Committee shall advise the Employee, in writing, of its resolution of, or failure to resolve the Employee's appeal. If the appeal is not resolved within 10 days after the date thereof (or such extended time as may be agreed upon by the Local Committee), the Employee, or any member of the Local Committee, at the request of the Employee may refer the matter to the Board for disposition.

(2) ***Appeals to the Board***

(i) An appeal to the Board shall be considered filed with the Board when filed with the designated Company representative for the Plant at which the first stage appeal was considered by the Local Committee.

(ii) Appeals shall be in writing, shall specify the respects in which the Plan is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.

(iii) Appeals by the Local Committee to the Board with respect to Benefits or Separation Payments shall be made within 20 days following the date the

appeal is first considered at a meeting of the Local Committee, plus such extension of time as the Local Committee shall have agreed upon. Appeals by the Employee to the Board with respect to Benefits or Separation Payments shall be made within 30 days following the date the notice of the Local Committee's decision is given or mailed to the Employee. If the appeal is mailed, the date of filing shall be the postmark date of the appeal.

(iv) The handling and disposition of each appeal to the Board shall be in accordance with regulations and procedures established by the Board.

(v) The Employee, the Local Committee or the Union Members of the Board may withdraw any appeal to the Board at any time before it is decided by the Board, on a form provided for that purpose.

(vi) There shall be no appeal from the Board's decision. It shall be final and binding upon the Union, its members, the Employee, the Trustee, and the Company. The Union will discourage any attempt of its members to appeal and will not encourage or cooperate with any of its members in any appeal, to any Court or Labor Board from a decision of the Board, nor will the Union or its members by any other means attempt to bring about the settlement of any claim or issue on which the Board is empowered to rule hereunder.

(vii) The Local Committee shall be advised, in writing, by the Board of the disposition of any appeal previously considered by the Local Committee, and referred to the Board. A copy of such disposition shall be forwarded to the Employee by the Local Committee.

(c) ***Benefits Payable After Appeal***

In the event that an appeal with respect to entitlement to a Benefit is decided in favor of the Employee, the Benefit shall be paid to the Employee.

(d) ***Special Definition of Employee***

With respect to the appeal provisions set forth under this Section only, the term Employee shall include any person who received or was denied the Benefit or Separation Payment in dispute.

ARTICLE VI

ADMINISTRATION OF THE PLAN

Section 1. Powers and Authority of The Company

(a) ***Company Powers***

The Company shall have such powers and authority as are necessary and appropriate in order to carry out its duties under this Article, including, without limitation, the following:

(1) to obtain such information as the Company shall deem necessary in order to carry out its duties under the Plan;

(2) to investigate the correctness and validity of information furnished with respect to an application for a Benefit or Separation Payment;

(3) to make initial determinations with respect to Benefits or Separation Payments;

(4) to establish reasonable rules, regulations and procedures concerning:

(i) the manner in which and the times and places at which applications shall be filed for Benefits or Separation Payments, and

(ii) the form, content and substantiation of applications for Benefits or Separation Payments.

In establishing such rules, regulations and procedures, the Company shall give due consideration to any recommendations from the Board;

(5) to designate a location where laid off Employees may submit applications for the purpose of complying with the Plan requirements;

(6) to establish appropriate procedures for giving notices required to be given under the Plan;

(7) to establish and maintain necessary records; and

(8) to prepare and distribute, on behalf of the Company, information explaining the Plan.

(b) *Company Authority*

Nothing contained in this Plan shall be deemed to qualify, limit or alter in any manner the Company's sole and complete authority and discretion to establish, regulate, determine, or modify at any time levels of employment, hours of work, the extent of hiring and layoff, production schedules, manufacturing methods, the products and parts thereof to be manufactured, where and when work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if this Plan were not in existence; nor shall it be deemed to confer either upon the Union or the Board any voice in such matters.

(c) *Named Fiduciary*

The Investment Funds Committee of the Company's Board of Directors shall be named fiduciary with respect to the Plan except as set forth below. The Investment Funds Committee may delegate authority to carry out such of its responsibilities, as it deems proper to the

extent permitted by the Employee Retirement Income Security Act of 1974. General Motors Investment Management Corporation (GMIMCo) is the Named Fiduciary of this Plan for purposes of investment of Plan assets.

Section 2. Board of Administration of the Plan

(a) *Composition and Procedure*

(1) There shall be established a Board of Administration of the Plan consisting of 6 members, 3 of whom shall be appointed by the Company (hereinafter referred to as the Company members) and 3 of whom shall be appointed by the Union (hereinafter referred to as the Union members). Each member of the Board shall have an alternate. In the event a member is absent from a meeting of the Board, the member's alternate may attend, and, when in attendance, shall exercise the powers and perform the duties of such member. Either the Company or the Union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. The Company and the Union each shall notify the other in writing of the members respectively appointed by it before any such appointment shall be effective.

(2) The members of the Board shall appoint an Impartial Chairman, who shall serve until requested in writing to resign by 3 members of the Board. If the members of the Board are unable to agree upon a Chairman, the Umpire under the Collective Bargaining Agreement shall make the appointment; provided, however, that the Company and the Union members may, by agreement, request such Umpire to serve as the Impartial Chairman of the Board. The Impartial Chairman shall be considered a member of the Board and shall vote only in matters within the Board's

authority to determine which the other members of the Board shall have been unable to dispose of by majority vote, except that the Impartial Chairman shall have no vote concerning determinations made in connection with Section 1(b)(11) of Article I (contrary to intent of Plan).

(3) At least 2 Union members and 2 Company members shall be required to be present at any meeting of the Board in order to constitute a quorum for the transaction of business. At all meetings of the Board the Company members shall have a total of 3 votes and the Union members shall have a total of 3 votes, the vote of any absent member being divided equally between the members present appointed by the same party. Decisions of the Board shall be by a majority of the votes cast.

(4) Neither the Board nor any Local Committee shall maintain any separate office or staff, but the Company and the Union shall be responsible for furnishing such clerical and other assistance as its respective member of the Board and any Local Committee shall require. Copies of all appeals, reports and other documents to be filed with the Board pursuant to the Plan shall be filed in duplicate, with 1 copy to be sent to the Company members at the address designated by them and the other to be sent to the Union members at the address designated by them.

(b) ***Powers and Authority of the Board***

(1) It shall be the function of the Board to exercise ultimate responsibility for determining whether an Employee is eligible for a Benefit or Separation Payment under the terms of the Plan, and, if so, the amount of the Benefit or Separation Payment.

The Board shall be presumed conclusively to have approved any initial determination by the Company unless the determination is appealed as set forth in Section 3(b) of Article V.

(2) The Board shall be empowered and authorized and shall have jurisdiction to:

(i) hear and determine appeals by Employees;

(ii) obtain such information as the Board shall deem necessary in order to determine such appeals;

(iii) prescribe the form and content of appeals to the Board and such detailed procedures as may be necessary with respect to the filing of such appeals;

(iv) direct the Company to pay Automatic Short Week Benefits or to notify the Trustee to pay other Benefits or Separation Payments pursuant to determinations made by the Local Committee or the Board;

(v) prepare and distribute, on behalf of the Board, information explaining the Plan;

(vi) rule upon disputes as to whether any Short Work Week resulted from an act of God, defined as an occurrence or circumstance directly affecting a Company Plant or Plants which results from natural causes exclusively and is in no sense attributable to human negligence, influence, intervention or control; the result solely of natural causes and not of human acts; and

(vii) perform such other duties as are expressly conferred upon it by the Plan.

(3) In ruling upon appeals, the Board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirements set forth in the Plan, the procedure for applying for Benefits or Separation Payments as provided for therein, or any other provision of the Plan; and shall have no jurisdiction other than to

determine, on the basis of the facts presented and in accordance with the provisions of the Plan:

(i) whether the first stage appeal and the appeal to the Board were made within the time and in the manner specified in Section 3(b) of Article V;

(ii) whether the Employee is eligible for the Benefit or Separation Payment claimed and, if so;

(iii) the amount of any Benefit or Separation Payment payable; and

(iv) whether a protest of an Employee's State System Benefit by the Company is frivolous.

(4) The Board shall have no jurisdiction to act upon any appeal filed after the applicable time limit or upon any appeal that does not comply with the Board-established procedures.

(5) The Board shall have no power to determine questions arising under the Collective Bargaining Agreement, even though relevant to the issues before the Board. All such questions shall be determined through the regular procedures provided therefor by the Collective Bargaining Agreement, and all determinations made pursuant to the Agreement shall be accepted by the Board.

(6) Nothing in this Article shall be deemed to give the Board the power to prescribe in any manner internal procedures or operations of either the Company or the Union.

(7) The Board shall provide for a Local Committee at each Plant of the Company to handle appeals from determinations as provided in Section 3(b)(1) of Article V, except determinations made in connection with Section 1(b)(11) of Article I (contrary to intent of Plan).

(i) The Local Committee shall be composed of 1 member designated by the Company members of the Board and 1 member designated by the Union members of the Board. Appointments to the Local Committee shall become effective when the members' names are exchanged in writing between the GM Department of the Union and the Employee Benefits Staff of the Company. Either the Company or Union members of the Board may remove a Local Committee member appointed by them and fill any vacancy among the Local Committee members appointed by them.

(ii) Any individual appointed by the Union as a member of a Local Committee shall be an Employee having Seniority at the Plant where, and at the time when, the Employee is to serve as a member of the Local Committee.

(iii) In addition to their regularly appointed Local Committee member, the Union members of the Board may name 1 additional Employee, who qualifies under (ii) above, as an alternate Local Committee member to serve during temporary specified periods when a Local Committee member is absent from the Plant during scheduled working hours and unable to serve on the Committee. The Company members of the Board may also name 1 alternate Local Committee member to serve during temporary specified periods. The alternate Local Committee member may serve on the Local Committee when the party desiring the alternate Local Committee member to serve gives notice, locally, to the other party of such temporary service and the period thereof.

(iv) All Local Committee members must be present at any meeting in order for the Local Committee to transact business. Each Local Committee member shall have 1 vote and decisions of the Local Committee shall be unanimous.

(8) The Board shall have full power and authority to administer the Plan and to interpret its provisions. Any decision or interpretation of the provisions of the Plan shall be final and binding upon the Company, the Union, the Employees and any other claimants under the Plan, and shall be given full force and effect, subject only to an arbitrary and capricious standard of review.

Section 3. Determination of Dependents

In determining an Employee's Dependents for purposes of Regular Benefit determinations, the Company (and the Board) shall be entitled to rely upon relevant information on file with the company. If an Employee establishes that he or she has a greater number of Dependents than indicated by the information used, such Dependents will be recognized for this Plan.

Section 4. To Whom Benefits and Separation Payments Are Payable In Certain Conditions

Benefits and Separation Payments shall be payable only to the eligible Employee except that if the Board shall find that the Employee is deceased or is unable to manage affairs for any reason, any Benefit or Separation Payment payable to the Employee shall be paid to the Employee's duly appointed legal representative, if there be one, and, if not, to the spouse, parents, children, or other relatives or dependents of the Employee as the Board in its discretion may determine. Any Benefit or Separation Payment so paid shall be a complete discharge of any liability with respect to such Benefit or Separation Payment. In the case of death, no Benefit shall be payable with respect to any period following the last day of layoff immediately preceding the Employee's death.

Section 5. Nonalienation of Benefits and Separation Payments

Except as otherwise provided under Article VIII, Section 6 of this Plan, no Regular Benefit, Leveling Week Benefit, or Alternate Benefit or Separation Payment shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution or encumbrance of any kind other than an Authorization for Check-Off of Dues, and any attempt to accomplish the same shall be void. In the event that the Board shall find that such an attempt has been made with respect to any such Benefit or Separation Payment due or to become due to any Employee, the Board in its sole discretion may terminate the interest of the Employee in such Benefit or Separation Payment and apply the amount of such Benefit or Separation Payment to or for the benefit of the Employee, the Employee's spouse, parents, children, or other relatives or dependents as the Board may determine, and any such application shall be a complete discharge of all liability with respect to such Benefit or Separation Payment. Notwithstanding the above, the Company may withhold any amounts due to the Employee under this Plan to repay to General Motors the full amount of any loan (including interest) not repaid under the Guaranteed Income Stream Relocation Loan Program.

Section 6. Applicable Law

The Plan and all rights and duties thereunder shall be governed, construed and administered in accordance with the laws of the State of Michigan, except that the eligibility of an Employee for, and the amount and duration of, State System Benefits shall be determined in accordance with the state laws of the applicable State System.

ARTICLE VII

FINANCIAL PROVISIONS AND REPORTS

Section 1. Establishment of Fund

The Company shall establish and maintain a Fund, in accordance with this Plan, with a qualified bank or banks or a qualified trust company or companies selected by the Company as Trustee. The Company's contributions shall be made into the Fund. Automatic Short Week Benefits shall be payable by the Company. All other Benefits and Separation Payments shall be payable only from the Fund. The Company shall provide in the trust agreement that the assets of the Fund shall be held in cash or invested only in:

(i) general obligations of the United States Government and obligations of any agency or instrumentality of the United States Government or of any United States Government-sponsored private corporation; or obligations of any other organization which are backed by the full faith and credit of, or are a contractual obligation of, the United States (United States Government Agency obligations); and/or

(ii) prime quality short-term obligations such as commercial paper, bankers acceptances, certificates of deposit, or similar investments; and/or

(iii) a common, collective or commingled investment fund, or mutual fund, consisting of any combination of the investments under (i) and (ii) above;

irrespective of the rate of return thereon, and without any absolute or relative limit upon the amount that may be invested. The Trustee shall not be liable for the making or retaining of any such investment or for realized or unrealized loss thereon whether from normal or abnormal economic conditions or otherwise.

Section 2. Company Contributions

(a) *General*

As of the effective date of the 2003 amendments to this Plan, all Company contribution provisions and requirements under the 1999 SUB Plan shall cease and no further contributions as previously required shall be placed into the trust Fund. The trust Fund balance shall be used to pay Regular Benefits and Separation Payments due and payable under this Plan.

(b) ***Fund Level and Required Contributions***

The Company will make periodic weekly contributions to the trust Fund to maintain the trust Fund at a level sufficient to pay the Regular Benefits and Separation Payments then due and payable including

(1) any FICA and FUTA tax amounts payable by the trust Fund on behalf of the Company, and also including;

(2) an amount equal to the Regular Benefits paid to laid off Employees covered by the Extended SUBenefits Idled Plants Letter Agreement attached to this Plan.

(c) ***Combined JOBS/SUB Maximum Financial Liability Cap***

Any amounts determined under Section 2(b) above (excluding any FICA and FUTA tax amount paid by the trust Fund on behalf of the Company), plus the amount of all Automatic Short Week Benefits and payments under the Letter Agreements attached to this Plan paid by the Company, are subject to, and limited by, in the aggregate, the Combined JOBS/SUB Maximum Financial Liability Cap of $3.951 billion as applicable to the SUB Plan, plus (1) the weekly amounts previously determined under subparagraph 2(b)(2) of this Section

above and (2) any additional amount (not to exceed $447 million) generated by the formula under Section 3(d) of this Article VII. If the SUB Maximum Financial Liability Cap (1) as adjusted by any amount shifted between the JOBS and SUB Maximum Financial Liability Caps, (2) plus the weekly amounts as determined under subparagraph 2(b)(2) of this Section above, and (3) including any additional amount generated by the formula (which cannot exceed $447 million) under Section 3(d) of this Article VII, is exhausted during the term of this Agreement, the provisions of the 1987 SUB Plan will be reactivated.

(d) If the Company at any time shall be required to withhold any amount from any contribution to the Fund on behalf of Regular Benefits by reason of any federal, state or local law or regulation, the Company shall have the right to charge such amount against the amount of the Combined JOBS/SUB Maximum Financial Liability Cap as defined under Section (c) above.

Section 3. Liability

(a) The provisions of these Articles I through IX, together with the provisions of any Alternate Benefit plans established and maintained pursuant to this Plan, constitute the entire Plan. The provisions of this Article with respect to contributions express each and every obligation of the Company with respect to the financing of the Plan and providing for Benefits and Separation Payments.

The Company shall not be obligated to make up, or to provide for making up, any depreciation or loss arising from depreciation, in the value of the securities held in the Fund; and the Union shall not call upon the Company to make up, or to provide for making up, any such depreciation or loss.

(b) Except as otherwise may be required by the Employee Retirement Income Security Act of 1974, the Board, the Company, the Trustee, and the Union, and each of them, shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others.

(c) Notwithstanding the above provisions, nothing in this Section shall be deemed to relieve any person from liability for willful misconduct or fraud.

(d) The Company's total financial liability for the cost of the SUB Plan, including Company contributions (as determined under Section 2(b)) to the trust Fund for the payment of Regular Benefits (including amounts owed to the Company or trustees of other Company plans or programs, as applicable, which were offset against Regular Benefits), Automatic Short Week Benefits and payments under the Letter Agreements attached to this Plan paid by the Company, shall be limited to the amount of the SUB Maximum Financial Liability Cap, plus the weekly amounts previously determined under Section 2(b)(2) of this Article. Such Cap shall be established at $1.844 billion on the effective date of this Agreement. If and when that amount is spent, the Company's total remaining financial liability during the term of the Agreement shall be equal to the greater of (a) the average monthly expenditure up to that point in the Agreement or (b) the average monthly expenditure for the 12 full months immediately prior thereto, times the lesser of (a) the number of months, and fraction thereof, remaining until expiration of the Agreement, or (b) 12. Notwithstanding the foregoing, the Company's total remaining financial liability after such calculation shall not exceed $447 million, except as modified by the provisions of the letter agreement regarding "Exhaustion of SUB Cap", attached to this Plan.

The parties will monitor the Fund on a regular basis and if it appears that the Combined JOBS/SUB Maximum Financial Liability Cap, as related to the SUB Plan, will be reached before the end of the Agreement, the parties, by mutual agreement, will have the prerogative to shift funds from JOBS to SUB or SUB to JOBS and/or to reduce the amount or duration of SUB to provide for an equitable means for distribution of the Company's remaining obligations.

Section 4. No Vested Interest

No Employee shall have any right, title, or interest in or to any of the assets of the Fund, or in or to any Company contribution thereto.

Section 5. Company Reports

(a) Not later than the third Tuesday following the first Monday of each month the Company shall furnish a statement to the Union showing:

(1) ***Company Contributions***

The amount of contributions the Company shall have made to the Fund in accordance with Section 2(b) of this Article VII.

(2) ***Benefits and Separation Payments Paid From Fund:***

(i) Leveling Week Benefits;

(ii) The number and amount of Regular Benefits paid during each week of the preceding month to Employees who were on volume related layoffs;

(iii) The number and amount of Regular Benefits paid during each week of the preceding month to Employees who were on non-volume related layoffs reported separately for Continuing SUBenefits, Idled Plant SUBenefits and Other;

(iv) The number and amount of Separation Payments paid during each week of the preceding month.

(3) ***Automatic Short Week Benefits Paid by the Company***

The number and amount of Automatic Short Week Benefits, if any, paid by the Company during each Week of the preceding month;

(4) ***Employment Levels***

The number of Employees on active status, the number of Employees on temporary layoff status, and the number of Employees on permanent layoff status as of the beginning of the preceding month.

(5) ***SUB Cap***

A summary of charges and credits to the SUB Maximum Financial Liability Cap for the preceding month.

(6) ***Compensated Hours***

The total number of hours for which Employees received pay from the Company during each week of the preceding month.

(b) Annually, the Company shall furnish to the Union a statement, certified by a qualified independent firm of certified public accountants selected by the Company, verifying the accuracy of the information furnished by the Company for the preceding year.

(c) The Company or the Trustee shall furnish annually to each Employee who received Benefits or a Separation Payment, or both, during the year a statement showing the total amount received and any amount of tax withheld therefrom.

(d) On or before April 30 of each year, the Company shall furnish to the Union a statement showing the number of Employees receiving Regular Benefits during the preceding year.

(e) The Company will comply with reasonable requests by the Union for other statistical information on the operation of the Plan which the Company may have compiled.

Section 6. Cost of Administering the Plan

(a) ***Expense of Trustee***

The cost and expenses incurred by the Trustee under the Plan and the fees charged by the Trustee shall be charged to the Fund.

(b) ***Expense of the Board***

The compensation of the Impartial Chairperson, which shall be in such amount and on such basis as may be determined by the other members of the Board, shall be shared equally by the Company and the Union. Reasonable and necessary expenses of the Board for forms and stationery required in connection with the handling of appeals shall be borne by the Company. The Company members and the Union members of the Board and of Local Committees shall serve without compensation from the Fund.

(c) ***Cost of Services***

The Company shall be reimbursed each year from the Fund for the cost to the Company of bank fees and auditing fees.

(d) ***Cost of Recovery***

The Fund shall be authorized to receive payments from a Board of Administration approved collection

agency employed to recover Plan overpayments. The Trustee shall be authorized to pay reasonable fees to the collection agency for services rendered. A summary of payments received and fees paid shall be provided to the Company and the Union by the agency.

Section 7. Benefit and Separation Payment Drafts Not Presented

If the Trustee has segregated any portion of the Fund in connection with any determination that a Benefit or Separation Payment is payable under the Plan and the amount of such Benefit or Separation Payment is not claimed within a period of 2 years from the date of such determination, such amount shall revert to the Fund.

ARTICLE VIII

MISCELLANEOUS

Section 1. General

(a) ***Purpose of Plan***

It is the purpose of this Plan in respect to payment of Regular Benefits and Separation Payments to supplement State System Benefits and not to replace or duplicate them.

(b) ***Receipt of Benefits and Separation Payments***

Neither the Company's contributions nor any Regular Benefit or Separation Payment paid under the Plan shall be considered a part of any Employee's wages for any purpose (except as Separation Payments, paid under Article IV, Section 1(a) and 1(b), and certain Benefits, as determined by the Internal Revenue Service, are treated as if they were "wages" for purposes of the Federal Insurance Contributions Act Tax, the Federal Unemployment Tax, and the Collection of Income Tax at Source of Wages, under Subtitle C of the Internal Revenue Code). No person who receives any Regular Benefit or Separation Payment shall for that reason be deemed an employee of the Company during such period.

Section 2. Effect of Revocation of Federal Rulings

If any rulings which have been or may be obtained by the Company holding

(a) that contributions to the Fund shall constitute currently deductible expenses under the Internal Revenue Code, as now in effect or as it may be hereafter amended, or under any other applicable federal income tax law, or

(b) that no part of any such contribution shall be included for purposes of the Fair Labor Standards Act in the regular rate of any Employee,

shall be revoked or modified in such manner as no longer to be satisfactory to the Company, all obligations of the Company under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect (without in any way affecting the validity or operation of the Collective Bargaining Agreement) except for the purposes of disposing of the assets of the Fund as set forth in Section 4(b) of this Article.

Section 3. Alternate Benefit

With respect to any state in which Supplementation is not permitted, the parties shall endeavor to negotiate an agreement establishing a plan for Alternate Benefits not inconsistent with the purposes of the Plan. Any agreement so reached shall not apply to an Employee who is ineligible to receive a State System Benefit only for one or more of the reasons stated in Section 1(b) of Article I of the Plan. Such Employee, if otherwise eligible, may apply for and receive a Regular Benefit under the Plan. Automatic Short Week Benefits will be payable to eligible Employees in such state.

Section 4. Amendment and Termination of the Plan

(a) So long as the Collective Bargaining Agreement of which this Supplemental Unemployment Benefit Plan as amended is a part shall remain in effect, the Plan shall not be amended, modified, suspended or terminated, except as may be proper or permissible under the terms of the Plan or the Collective Bargaining Agreement.

Upon the termination of the Collective Bargaining Agreement, the Company shall have the right to

continue the Plan in effect and to modify, amend, suspend or terminate the Plan, except as may be otherwise provided in any subsequent Collective Bargaining Agreement between the Company and the Union.

(b) Upon any termination of the Plan, the Plan shall terminate in all respects except that the assets then remaining in the Fund shall be used to pay expenses of administration and to pay Benefits to eligible Employees for a period of 1 year following termination, if not sooner exhausted. At the expiration of the 1 year period, the parties shall endeavor to negotiate a program for the orderly disposition of any remaining assets of the Fund for Employee benefits not inconsistent with the purposes of the Plan.

Section 5. Recovery of Other Benefit Plan or Program Overpayments

The Company or the Trustee, at the direction of the Company, shall make an appropriate deduction or deductions from any future benefit payments payable to the Employee under this Plan for the purpose of recovering overpayments made to the Employee under any General Motors employee benefit plan. Amounts so deducted shall be remitted by the Company or Trustee to the applicable benefit plan. The Company or Trustee, as applicable, by such remittance, shall be relieved of any further liability with respect to such payments.

ARTICLE IX

DEFINITIONS

As used herein:

(1) *"Active Employment Roll"* - An Employee shall be deemed to be on the Active Employment Roll:

(a) while in Active Service,

(b) while on an authorized vacation,

(c) while on an authorized leave of absence (other than a sick leave) which is limited, when issued, to 90 days or less,

(d) during the first 90 days on a sick leave of absence,

(e) during the first 120 calendar days on a temporary layoff,

(f) while on a disciplinary layoff, or

(g) while absent without leave up to 10 calendar days from the Employee's last day worked; provided, however, that solely with respect to the provisions of Article IV, Section 1(c) (eligibility for a Separation Payment), an Employee also shall be deemed to be on the Active Employment Roll while on strike;

(2) *"Active Service"* - An Employee is in Active Service in any Pay Period for which the Employee draws pay;

(3) *"Bargaining Unit"* means a unit of Employees covered by the Collective Bargaining Agreement;

(4) *"Base Hourly Rate"* (excluding cost-of-living allowance and all other premiums and bonuses of any kind) means:

(a) with respect to a Regular Benefit or Separation Payment, the Employee's straight-time hourly rate on the Employee's last day of work in the Bargaining Unit; except, that if the Employee:

(i) had a higher straight-time hourly rate in 1 or more specified Bargaining Units at any time during the 13 consecutive Pay Periods ending with the Pay Period which includes the Employee's last day worked (hereinafter referred to as the 13 Week Period), Base Hourly Rate shall be such higher rate; or

(ii) worked on incentive or piece work in at least 4 Pay Periods in 1 or more specified Bargaining Units during the 13 Week Period, Base Hourly Rate shall be the Employee's average earned hourly rate for the last 4 Pay Periods worked in the Bargaining Unit(s) and for which the Employee had any incentive earnings or, if higher, the Employee's average earned hourly rate for the first 4 Pay Periods worked in the Bargaining Unit(s) and for which the Employee had any incentive earnings during the 13 Week Period; provided, however, that if it is established that during the 13 Week Period the Employee worked in less than 4 Pay Periods but during each such Pay Period worked on incentive or piece work, the Employee's Base Hourly Rate shall be the Employee's average earned hourly rate for such Pay Periods. Such average earned hourly rate shall be computed by dividing the Employee's total straight-time hourly earnings (excluding any premiums or bonuses of any kind) for all hours worked during the applicable 4 Pay Periods by the total number of straight-time hours worked during such Pay Periods;

provided, however, that with respect to Employees permanently laid off on or after November 1, 1987 in Plant Closing situations, the applicable "13 Week Period" will be lengthened to a "52 Week Period" (52 consecutive Pay Periods ending with the Pay Period which includes the Employee's last day worked);

(b) with respect to an Automatic Short Week Benefit, the highest straight-time hourly rate paid the Employee in the Bargaining Unit during the Pay Period in which the Short Work Week occurs; and, for an Employee who worked on incentive or piece work at any time during the Pay Period in which the Short Work Week occurs, the average straight-time hourly earned rate for the Employee's last Pay Period worked in the Bargaining Unit immediately preceding the Week in which the Short Work Week occurs;

(c) the Base Hourly Rate determined under (a) or (b) above, shall be adjusted to include:

(i) the amount of any applicable cost-of-living allowance in effect with respect to the Week for which the Benefit is paid, and, for a Separation Payment, any such allowance in effect with respect to the last day worked for the Company; and

(ii) with respect to Benefits, the amount of any wage increase, if any, provided for in Paragraph 101(a) of the Collective Bargaining Agreement which became effective (pursuant to the Collective Bargaining Agreement) after the day or period used to establish the Employee's Base Hourly Rate. In such event the amount of increase shall be the amount applicable to the job classification in which the Employee worked either on the day, or the last day of the period, for which the Employee's Base Hourly Rate was determined under (a) or (b) above. The Base Hourly Rate adjustment due to the increase shall be effective with respect to Benefits which may be payable for and subsequent to the Week in which such increase became or becomes effective;

(5) *"Benefit"* means a Regular Benefit, an Automatic Short Week Benefit, an Alternate Benefit, or any or all 3, as indicated by the context:

(a) *"Alternate Benefit"* means the benefit payable to an eligible Employee, in certain circumstances, in a State which does not permit Supplementation;

(b) *"Automatic Short Week Benefit"* means the benefit payable to an eligible Employee for a Short Work Week;

(c) *"Leveling Week Benefit"* means the Regular Benefit payable to an eligible Employee for all or part of a Week because, with respect to the Week, the Employee was serving a State System "waiting week" and during

such Week or part thereof the Employee was temporarily laid off out of line of Seniority pending an adjustment of the work force in accordance with the terms of the Collective Bargaining Agreement;

(d) *"Regular Benefit"* means the benefit payable to an eligible Employee for a Week of layoff in which the Employee performed no work for the Company and for which the Employee received no jury duty pay, bereavement pay or military pay from the Company, or for which the Employee received holiday pay from the Company if the Employee was not eligible for an Automatic Short Week Benefit for such Week;

(6) *"Board"* means the Board of Administration under the Plan;

(7) *"Collective Bargaining Agreement"* means the currently effective collective bargaining agreement between the Company and the Union which incorporates this Plan by reference;

(8) *"Combined JOBS/SUB Maximum Financial Liability Cap"* means the amount available for JOBS and SUB benefits as described under Article VII, Section 2(c);

(9) *"Company" or "Corporation"* means General Motors Corporation;

(10) *"Compensated or Available Hours"* for a Week shall be the sum of:

(a) all hours for which an Employee receives pay from the Company (excluding pay in lieu of vacation) with each hour paid at premium rates to be counted as 1 hour; plus

(b) all hours scheduled for or made available to the Employee by the Company but not worked after having been given reasonable notice (including as full

work days any period on leave of absence, or excused or unexcused absence); provided, however, if the hours made available but not worked were:

(i) straight-time hours, in accordance with Paragraph (84) of the Collective Bargaining Agreement, which the Employee had an option to refuse under a Local Seniority Agreement or which the Employee could refuse without disqualification under Section 3(b)(3) of Article I, or

(ii) overtime hours which the Employee was prohibited from working due to written restrictions concerning the number of hours that the Employee could work on a given day or in a given Week, imposed by the Employee's personal physician and concurred in by the Plant Medical Director,

such hours are not to be considered as hours made available by the Company; plus

(c) all hours not worked by the Employee because of any of the reasons disqualifying the Employee from receiving a Benefit under subsections 3(b)(2) and 3(b)(4) of Article I; plus

(d) all hours not worked by the Employee which are in accordance with a written agreement between Local Management and the Shop Committee or which are attributable to absenteeism of other Employees; plus

(e) with respect to a Part-Time Employee, or an Employee on a three-shift operation on which less than 8 hour shifts of work are scheduled, or an Employee on any shift of work on which less than 40 hours of work per Week are regularly scheduled, a number of hours equal to the difference between such Employee's regularly compensated hours during a Work Week and 40.

Compensated or Available Hours will exclude any hours of overtime that are either worked or made available subsequent to a layoff of Employees during the Week, unless notice of intent to work overtime has been given to Employees by the Company prior to the layoff. Notice of intent to work overtime shall include without limitation either notice of the overtime schedule which would be applicable to the Employee or an offer of work to the Employee.

(11) *"Dependent"* means a spouse or a person defined as a dependent under the Internal Revenue Code;

(12) *"Employee"* means an hourly-rate employee in a Bargaining Unit covered by the Plan;

"Part-Time Employee" means an hourly-rate employee in the Bargaining Unit, excluding Employees on three-shift operations on which less than 8 hour shifts of work are scheduled, who, on a regular and continuing basis, performs jobs having definitely established working hours, but the complete performance of which requires fewer hours of work than the regular Work Week, provided that the services of such employee are normally available for at least half of the employing unit's regular Work Week;

The term "employee" shall not include contract employees, bundled services employees, consultants, or other similarly situated individuals, or individuals who have represented themselves to be independent contractors.

The following classes of individuals are ineligible to participate in this Plan, regardless of any other Plan terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation:

(a) Any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled-services employees";

(b) Any individual who has signed an independent contractor agreement, consulting agreement, or other similar personal service contract with the Corporation;

(c) Any individual who both (a) is not included in any represented bargaining unit and (b) who the Corporation classifies as an independent contractor, consultant, contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded from the payroll, and regardless of whether that exclusion is correct.

(13) *"Fund"* means a trust fund established under the Plan to receive and invest Company contributions and to pay Benefits and Separation Payments;

(14) *"Good Cause"* for failure to report to work on the date scheduled pursuant to a Company job offer or for refusing to interview or failing to appear for an interview or related physical examination is deemed to exist if there is a justifiable reason, determined in accordance with a standard of conduct expected of an individual acting as a reasonable person in light of all the circumstances. Justifiable reasons include, but are not limited to, the following:

(a) Acts of God that prevent an individual from reporting on the date scheduled for work or for a Company employment interview or related physical examination;

(b) Personal physical incapacity;

(c) Death occurring in the Employee's immediate family which would have otherwise been covered as bereavement time under the Collective Bargaining Agreement if the Employee were at work in the Bargaining Unit; and

(d) Jury duty.

(15) *"Local Committee"* means the Committee established by the Board with respect to each Plant or Plants to handle Employee appeals from Company determinations;

(16) *"Plan"* means the amended Supplemental Unemployment Benefit Plan as set forth in this Exhibit D-1;

(17) *"Plant"* means a location or locations in, or out of, which an Employee works;

(18) *"Plant Closing"* means the permanent discontinuance (or an indefinite long-term discontinuance without a projected date of resumption) of total production operations at a Company plant constituting a local Bargaining Unit;

(19) *"Seniority"* means seniority status under the Collective Bargaining Agreement;

(a) *"Break in Seniority"* means any break in or loss of Seniority pursuant to the Collective Bargaining Agreement;

(b) *"Years (or Year) of Seniority"* means for all purposes of this Plan and for those purposes only, the

longest Seniority an Employee has in any Bargaining Unit except that in determining an Employee's "longest Seniority", if the Employee has Seniority (or if, while on the Active Employment Roll, acquires Seniority) in a Bargaining Unit at the time Seniority is broken in another Bargaining Unit under the time for time provisions of the Collective Bargaining Agreement or because the Employee refuses recall at such other Bargaining Unit, or if Seniority is broken in a Bargaining Unit because the Employee quits to respond to recall to another Bargaining Unit, or because the Employee quits to accept placement as a journeyman/woman in another Bargaining Unit where the Employee has completed an apprentice training program, or the Employee's Seniority is adjusted due to time spent in a salaried position, such lost Seniority shall be included in "Years of Seniority";

(20) *"Separation Payment"* means a lump-sum amount payable to an eligible person by reason of qualified layoff and certain separations from the Company;

(21) *"Short Work Week"* means a Work Week during which an Employee has less than 40 Compensated or Available Hours and (a) during which the Employee performs some work for the Company or (b) for which the Employee receives some jury duty pay, bereavement pay or military pay from the Company, or (c) for which the Employee receives only holiday pay from the Company and, for the immediately preceding Week, either received an Automatic Short Week Benefit or had 40 or more Compensated or Available Hours;

(22) *"State System"* means any system or program established pursuant to any state or federal law for paying benefits to persons on account of their unemployment under which a person's eligibility for benefit payments is not determined by application of a "means" or "disability" test. State System also includes:

(a) any system or program established by law to supplement, replace or extend the benefits available under any state or federal laws for paying benefits to persons on account of their unemployment (such as the Trade Readjustment Allowance provided under the Federal Trade Expansion Act of 1962, as amended, and the Trade Act of 1974), or

(b) any such system or program established for the primary purpose of education or vocational training where such programs may provide for training allowance;

"State System Benefit" means an unemployment benefit payable under a State System, including any dependency allowances and training allowances but excluding any allowance for transportation, subsistence, equipment or other cost of training and excluding any "Back-to-Work" payment for a week made, in addition to the regular State System Benefit otherwise payable for such week, to an Employee who has been on layoff for a prescribed number of weeks and returns to full-time work within a prescribed period, and also shall mean a lost time benefit which an Employee received under a Workers' Compensation law or other law providing benefits for occupational injury or disease, while not totally disabled and while ineligible for a sickness and accident benefit under the Life and Disability Benefits Program. If an Employee receives a Workers' Compensation benefit while working full-time and a higher Workers' Compensation benefit while on layoff from the Company, only the amount by which the Workers' Compensation benefit is increased shall be included;

(23) *"Supplementation"* means recognition of the right of a person to receive both a State System Benefit and a Regular Benefit under the Plan for the same Week of layoff at approximately the same time and without

reduction of the State System Benefit because of the payment of the Regular Benefit under the Plan;

(24) *"Trustee"* means the trustee or trustees of the Fund established under the Plan;

(25) *"Union"* means International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW;

(26) *"Week"* when used in connection with eligibility for and computation of Benefits with respect to an Employee means:

(a) a period of layoff equivalent to a Work Week;

(b) a Work Week for which the total pay received or receivable by an Employee from the Company (including holiday pay, but not vacation pay allowances), and any amount of unearned pay computed, as if payable, for hours made available by the Company but not worked, (excluding hours not worked which the Employee had an option to refuse under the Local Seniority Agreement or could refuse without disqualification under Section 3(b)(3) of Article I) is less than 95% of Weekly After-Tax Pay, minus $30.00, to take into account work-related expenses not incurred; or

(c) a Short Work Week;

"Week of layoff" shall include any such Week; provided, however, that if there is a difference between the starting time of a Work Week and of a week under an applicable State System, the Work Week shall be paired with the State System week which corresponds most closely thereto in time; except that if an Employee is ineligible for a State System Benefit because of any of the reasons set forth in Section 1(b) of Article I (excluding the reasons under items (3) and (4) thereof) for the entire continuous period of layoff, the week under

the State System shall be assumed to be the same as the Work Week. If an Employee becomes ineligible for a State System Benefit because of the reasons set forth in Section 1(b) of Article I, excluding items (3) and (4) thereof, during a continuous period of layoff, the week under the State System shall be assumed to continue to be, for the duration of the layoff period during which the Employee remains so ineligible, the 7-day period for which a State System Benefit was last paid to the Employee during such continuous period of layoff. Each Week within a continuous period of layoff will not be considered a new or separate layoff. Notwithstanding the foregoing provisions of this definition, if an Employee is ineligible for a State System Benefit because of the reason set forth in item (3) of Section 1(b) of Article I, the week under the State System shall be assumed to be the 7-day period which would have been used by the State System if the Employee had applied for a State System Benefit on the first day of partial or full layoff in the Work Week and had been eligible otherwise for such State System Benefit;

(27) *"Weekly After-Tax Pay"* means the amount of an Employee's Weekly Straight-Time Pay reduced by the sum of all federal, state and municipal taxes and contributions which would be required to be collected, deducted, or withheld by the Company from a regular weekly wage of such amount if paid to the Employee for the last Pay Period worked in the Bargaining Unit; provided, however, that any changes (or corrections) in the number of an Employee's Dependents that occurs (or is made) during a period of layoff will be reflected in a redetermination of the amount of the Employee's Weekly After-Tax Pay applicable to the Week following the Week in which the Company receives notice of such change (or correction);

(28) *"Weekly Straight-Time Pay"* means an amount equal to an Employee's Base Hourly Rate (as

determined for a Regular Benefit) multiplied by 40 (or, in the case of a Part-Time Employee, by the number of hours the Employee is regularly scheduled to work during a Work Week);

(29) *"Work Week"* or *"Pay Period"* means 7 consecutive days beginning on Monday at the regular starting time of the shift to which the Employee is assigned, or was last assigned immediately prior to being laid off.

OTHER
SUB
ITEMS

GENERAL MOTORS CORPORATION

Date: September 18, 2003

To: All General Managers
All Personnel Directors

Subject: Failure to Work Forty Hours as a Consequence of Severe Weather Conditions or Riots - SUB Plans

In general, the following SUB Plan determinations apply with respect to a plant shutdown in an area in which severe weather conditions or an actual or threatened riot have occurred. Attached as a tool to aid in the application of this letter is a flow chart. Nothing in the flow chart changes any terms of this letter.

1. With respect to a day for which the plant gives notification by public announcement or otherwise of a shutdown, a SUBenefit shall be paid as provided under the Plan to an otherwise eligible laid off employee.

2. With respect to a day during which the plant attempts to operate but is forced to shutdown because of the absenteeism of employees, and forty percent (40%) or less of the employees scheduled to report for work on the shift have not reported to work prior to the shutdown, a SUBenefit shall be paid to an otherwise eligible employee who reported for work but was sent home when the plant suspended operations; provided, however, that if the amount of such SUBenefit payable plus the pay for hours worked on such day equals less than the equivalent of 4 hours' pay, the employee shall be paid 4 hours' pay by the Corporation for such day (including pay for any hours worked) in lieu of such SUBenefit, as provided below. In calculating the SUBenefit, credit should be taken as Available Hours for any period between the starting time of the employee's regular shift and the time the employee reported for work.

(a) An employee who reports for work during the first 4 hours of the employee's regular shift on a day the plant has attempted to operate and subsequently shuts down, shall receive a SUBenefit for any hours not worked or made available during the period between the time the employee reported for work and the end of the employee's regular shift; provided, however, that if the amount of such SUBenefit payable plus the pay for any hours worked on such day equals less than the equivalent of 4 hours' pay, the employee shall be paid 4 hours' pay by the Corporation for such day (including pay for any hours worked) in lieu of such SUBenefit.

With respect to an otherwise eligible employee who reports for work during the last 4 hours of the employee's regular shift, a SUBenefit shall be payable for any hours not worked or made available during the period between the time the employee reported for work and the end of the employee's regular shift and the minimum 4 hours' pay provisions shall not apply.

(b) In addition to the provisions of 2(a) above, if overtime hours occur during the week in which the only day(s) of layoff is a day on which the plant attempted to operate but subsequently shutdown due to employee absenteeism, the SUBenefit for an otherwise eligible employee shall be calculated with respect to the week. The SUBenefit amount, if any, plus the pay for any hours worked on such day(s) shall be measured against the minimum 4 hours' pay provision, if applicable, for such day(s).

However, if overtime hours occur during a week having 2 or more days of layoff, including at least one such day on which the plant attempted to operate but subsequently shutdown due to employee absenteeism, the overtime hours may only be applied to reduce hours of layoff on days other than such days on

which the plant attempted to operate. Consequently, a separate SUBenefit shall be calculated for each such day on which the plant attempted to operate, and the amount of such SUBenefit, if any, plus the pay for any hours worked on such day shall be measured against the minimum 4 hours' pay provision, if applicable. If a SUBenefit is payable for such day, it shall be included and paid with any SUBenefit otherwise payable for the remainder of the week; provided, however, that the sum of such SUBenefits cannot exceed the SUBenefit, if any, that would otherwise be payable under the Plan for the Week.

(c) A SUBenefit shall not be paid to an employee for a day when the plant was attempting to operate if such employee failed to report for work at any time during such day. The total number of hours of the employee's regular shift for such day (8 hours in most cases) will be included as hours made available but not worked in the calculation of any SUBenefit otherwise payable for the week.

3. With respect to a day during which the plant attempts to operate but is forced to shutdown because of the absenteeism of employees and more than forty percent (40%) of the employees scheduled to report for work on the shift have not reported to work prior to the shutdown, the facts and circumstances of the local situation will be reviewed with the General Motors Employee Benefits Staff and a determination shall be made by them with respect to any additional SUBenefit eligibility beyond the eligibility provided under item "2." above. Where no additional SUBenefit eligibility is authorized, the provisions and procedures under item "2." above will be followed. If additional SUBenefit eligibility is authorized the following will apply.

(a) Employees who report to work at any time during their shift shall have all hours worked or paid for such day disregarded in calculating Compensated or Available Hours for the Week and shall be deemed to be on qualified layoff for the shift.

(b) Employees who did not report for work at any time during their shift shall be deemed to have been on qualified layoff for all of the day in calculating any SUBenefit otherwise payable for the Week.

The minimum 4-hours' pay provisions shall apply to all employees who report to work during the first four hours of their shift.

The foregoing SUB Plan determinations with respect to a day when the plant attempts to operate during severe weather conditions or during an actual or threatened riot apply only in situations where the plant is subsequently forced to shutdown because of employee absenteeism. If the plant shuts down early or employees are sent home for any reason other than employee absenteeism, eligible employees should be paid SUBenefits with respect to any period of qualified layoff to which they may be entitled under the Plan and the minimum 4 hours' pay provisions shall not be applicable.

4. With respect to a day during which the plant operates in an area in which severe weather conditions or an actual or threatened riot have occurred and more than forty percent (40%) of employees scheduled to report for work on the shift do not report to work at any time during their shift, the facts and circumstances of the local situation will be reviewed with the General Motors Employee Benefits Staff and a determination shall be made by them with respect to any SUBenefit eligibility for any employee for such day. If the determination does not authorize any SUBenefits, then no SUBenefit eligibility will be determined under the

provisions of this letter. If a determination is made to authorize SUBenefit eligibility for the shift, such eligibility and SUBenefit calculation shall be made in accordance with item "3." above.

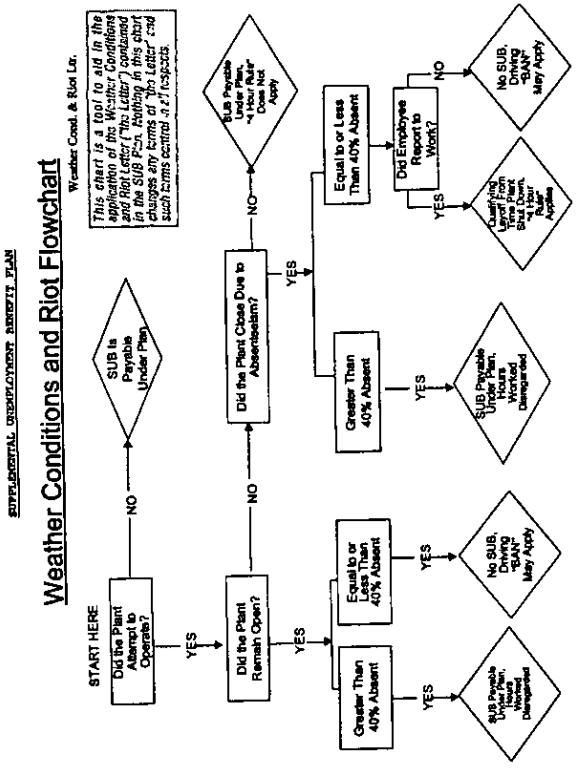
In determining whether a plant shall attempt to operate during such severe weather conditions or during a riot occurring in the plant area, consideration should be given to the severity of the condition, actions of other employers in the area, and instructions, advice or proclamations issued by local or other authorities.

Employees who are unable to get to work due to a "BAN" on driving will be considered on Qualified Layoff for 8 hours for the day. "BAN" means that under a local law/ordinance which is proclaimed to be in effect through a public safety announcement, that persons caught driving in a specified area (through which the employee had no alternative but to travel to get to work on regular shift), will be ticketed, fined and/or jailed. Documentation of such public safety announcement is required from, or on behalf of, the employee(s) involved.

It is understood by the parties that the Union's agreement with the Company SUB Plan determinations to be followed with respect to a plant shutdown in an area in which severe weather conditions or an actual or threatened riot have occurred, as set forth in this letter, will in no way jeopardize or limit an employee's right of appeal under the Plan to any such Company determination.

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Attach.



GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Subject: Payment of Automatic Short Week Benefits and State System Benefits With Respect to the Same Week in States Using "Flexible" State System Weeks

To prevent duplication of benefits for the same period of layoff, Article II, Section 4(c) has been included in the Supplemental Unemployment Benefit Plan which requires an Employee to repay part or all of an Automatic Short Week Benefit paid to the Employee for one or more days of a Week for which the Employee receives a State System Benefit.

Should a problem develop in applying this provision to an individual case the parties agree to modify the effect of its application as far as is necessary to achieve equity for the Employee consistent with the purpose, structure, and basic provisions of the Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1973 negotiations the parties discussed situations wherein certain Employees have claimed earnings from other employers for purposes of establishing SUBenefit eligibility under the provisions of Article I, Section 1(b)(3) of the SUB Plan. Such earnings have been suspected to be amounts not resulting from bona fide employment.

The parties agree that SUBenefit eligibility under the provisions of Article I, Section 1(b)(3) requires bona fide earnings received for bona fide employment. Therefore, in accordance with Article V, Section 1(b) of the Plan, an Employee who invokes Article I, Section 1(b)(3) in support of the Employee's application for a Regular Benefit for a Week will be required, as a condition of eligibility for such Benefit, to submit evidence establishing that the Employee's pay for services rendered during that Week resulted from bona fide employment. Such evidence may include, but is not limited to, a statement from the employer showing information concerning the number of hours of work performed, a description of such work, the location and the rate of pay for the job. If further investigation is deemed necessary, it is recognized that such investigation could properly include an on-site inspection of the work performed.

The above procedure will be used in cases where bona fide employment or bona fide earnings are questioned for reasons such as the fact that the employer is another individual and a relationship other than an employer-employee relationship existed prior to the time of employment or that the Employee was not in fact in an established trade or profession owned and operated by the Employee. This procedure shall not apply, however, where the earnings are reported to have been the result of employment by an employer liable for taxes or contributions or reimbursement of benefits under the law of the applicable State System.

Any term used in this letter and defined in the Plan has the same meaning in this letter as in the Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1976 national negotiations the Union expressed some concern regarding a possible interpretation of the provisions of Article I, Section 3(b)(4)(i) of the SUB Plan which could result in denying a Benefit to an otherwise eligible Employee who is claiming a benefit under a Workers' Compensation law while not totally disabled. This is to advise you that the provisions of Article I, Section 3(b)(4)(i) of the Plan will not be interpreted to disqualify an Employee on layoff from Benefits solely because the Employee is eligible for or claiming a permanent partial or scheduled loss benefit under a Workers' Compensation law or other law providing benefits for occupational injury or disease so long as the injury or disease does not prevent the Employee from working.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The conditions of eligibility for a Separation Payment based on layoff, as set forth in Article IV of the Supplemental Unemployment Benefit (SUB) Plan, include the requirement that an Employee has been on layoff "...for a continuous period of at least 12 months (or any shorter period determined by the Company)...".

This is to confirm our understanding with you reached in these negotiations that during the term of the 2003 SUB Plan the Company will waive the 12 month Separation Payment layoff waiting period described above with respect to layoffs resulting from plant closings, discontinuance of operations or other circumstances or events in which layoffs appear to be permanent and the Employees involved appear to have no further opportunity for employment with the Company.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 2003 negotiations, the parties discussed the desire for employees to have the option of having direct deposit of their SUBenefit checks. Management will work with Fidelity, in conjunction with the transition of administrative responsibilities, to provide as soon as practical for direct deposit. The parties agree that following implementation, employees that have direct deposit instructions on file with payroll will have their SUBenefit checks direct deposited.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 2003 negotiations, the parties agreed to a Memorandum of Understanding - JOBS Program.

The parties have agreed that if, and when, the provisions of the 1987 GM-UAW SUB Plan are reinstated in accordance with the "Exhaustion of SUB Cap" Letter Agreement between the parties, dated September 18, 2003, the following provision regarding charges against future Company contributions to the SUB Trust Fund will apply:

The wages, including COLA and applicable shift premium, of a Protected employee not assigned to an opening due to a volume increase will be charged as follows: (1) the gross amount the employee would otherwise receive from the Trust Fund in Supplemental Unemployment Benefits will be charged against future Company contributions to the SUB fund, (2) the amount the employee would otherwise receive as a Guaranteed Income Stream Benefit will be charged against the GIS Maximum Company Liability Amount, and (3) the remainder will be charged as a plant payroll expense.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1987 National Negotiations the parties discussed the desirability of expanding the implementation of an "Automated Regular SUBenefit Application Procedure" across the several States having GM SUB-covered Employees. During the 1993 National Negotiations the parties acknowledged the success of such programs in Michigan, New York and certain other plant locations. The parties agreed to continue to pursue the implementation of such procedures in other states.

The automated procedure would be applicable to laid off Employees eligible for Regular Benefits under the SUB Plan who receive a State System Benefit. The contemplated procedure described below is subject to the development of specific business process rules and the establishment of effective means of transferring potentially large volumes of information from the states to the Company.

Under the automated procedure, the Company would utilize State System Benefit payment information provided by the states to calculate the payment of Regular Benefits for each full week of layoff. For this purpose, each otherwise SUB eligible Employee's application for a State System Benefit for each week will constitute an application for a SUB Regular Benefit for the respective week. The submission of a written Regular Benefit application for each week of layoff will not be required by an Employee otherwise eligible under the automated procedure.

A laid off Employee ineligible for a State System Benefit will be required to submit an application for each week of layoff in accordance with the routine Regular SUBenefit application procedures.

A basic condition upon which the automated SUB application procedure would be implemented is the Company's ability to obtain from the states in a timely and acceptable format, all State System Benefit payment information, including but not limited to, any weekly Unemployment Compensation (UC), Trade Readjustment Allowance (TRA), Extended Unemployment Compensation and Emergency Unemployment Compensation (EUC), necessary for the Company's determination of an Employee's eligibility for, and the amount of, a Regular Benefit under the SUB Plan. If timely and acceptable State System Benefit information becomes unavailable from a state after an automated procedure has been implemented, the automated procedure will be suspended in that state immediately and eligible Employees will be required to submit applications in accordance with the Regular Benefit application procedures.

As noted, when these automated SUB application procedures apply, an Employee's application for a State System Benefit will constitute submitting an application (and supporting information) for Regular Benefits from the SUB Plan with the same force and effect as though the Employee had provided the application (and related information) directly to the Plan on a routine SUBenefit application form. Although information initially is provided to the State Benefit system, as it affects SUB processing, the Employee will have the same responsibility for providing accurate information as it applies for routine SUB applications (with determinations and appeals regarding possible SUB errors or misrepresentations determined solely under the present SUB review provisions).

In the event a significant number of Employees at a plant receive a State System Benefit and are determined by the Company to be ineligible for a Regular Benefit because they are not on a qualifying layoff under the provisions of Article I, Section 3(b)(2) of the SUB Plan, the Company will promptly notify the International Union and Local Unions of such determination. In addition, the Company's determination will be posted on local plant bulletin

boards in accordance with local practices. Such posting will be deemed to satisfy the denial of benefits notice requirements as provided under Article V, Section 2(c) of the SUB Plan. This provision is intended solely to prevent substantial and duplicative SUB administrative processing and will not be interpreted in such a manner as to preclude any Employee from filing an appeal with respect to any such Company determination.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current negotiations, the Corporation and the Union expressed mutual concern with respect to the number of laid off Employees at certain locations. The parties recognized the need to increase employment opportunities for laid off GM Employees and improve the operational effectiveness throughout the Corporation. The parties also recognized the necessity of maintaining employment levels that effectively fulfill the current and future specific manpower needs of the organization.

The parties agreed for certain Employees on layoff status as of the effective date of the 2003 Collective Bargaining Agreement, to make SUBenefits available.

For Employees laid off during the term of the 1990 through 1999 Agreements with one or more Years of Seniority as of their last day worked prior to layoff, SUBenefits will be payable to such otherwise eligible Employees under the terms of the 2003 SUB Plan.

The following Continuing SUBenefit provisions are applicable to Employees laid off prior to the 1990 Agreement:

1. For Employees with 10 or more Years of Seniority as of their last day worked prior to layoff, 52 weeks of "Continuing SUBenefits" will be payable to such otherwise eligible Employees. For continuing GIS eligible Employees, Health Care coverages and Life Insurance will continue to be provided under the provisions of the GIS Program.

2. For Employees with 1 but less than 10 Years of Seniority as of their last day worked prior to layoff, 26 weeks of "Continuing SUBenefits" will be payable to such otherwise eligible Employees.

3. All Employees' eligibility for "Continuing SUBenefits", as detailed in (1) and (2) above, will expire at the earliest of (a) returning to work for the Corporation, or (b) the end of the 2003 Agreement, or (c) exhaustion of the SUB Maximum Financial Liability Cap with respect to this Plan.

4. The "Continuing SUBenefits" will be in an amount equal to a Regular SUBenefit paid without reduction for the low level of the SUB trust fund. "Continuing SUBenefits" payable under this letter agreement will be charged against the SUB Maximum Financial Liability Cap established under the 2003 Agreement.

5. "Continuing SUBenefits" paid under this letter agreement are payable in lieu of any "Continuing SUBenefits" payable under any other letter agreement.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the current contract negotiations, the Corporation and the Union held discussions on the special circumstances surrounding the four Plants idled during the 1987 Agreement: BOC-Leeds, CPC-Fiero, CPC-Framingham and CPC-Lakewood. As a result of these discussions, the parties have agreed to a special benefit for employees at the above four locations.

The parties agreed for certain Employees on layoff status at such Plants as of the effective date of the 2003 Collective Bargaining Agreement, to make available additional Weeks of Extended SUBenefits.

The following Extended SUBenefit provisions are applicable to such Employees:

1. For Employees at such Plants with 10 or more Years of Seniority as of their last day worked prior to layoff, 65 weeks of "Extended SUBenefits" will be payable to such otherwise eligible Employees. For continuing GIS eligible Employees, Health Care coverages and Life Insurance will continue to be provided under the provisions of the GIS Program.

2. For Employees at such Plants with 1 but less than 10 Years of Seniority as of their last day worked prior to layoff, 39 weeks of "Extended SUBenefits" will be payable to such otherwise eligible Employees.

3. The Employee's eligibility for "Extended SUBenefits", as detailed in (1) and (2) above, will expire at the earlier of (a) returning to work for the Corporation, or (b) the end of the 1999 Agreement.

4. The "Extended SUBenefits" will be in an amount equal to a Regular SUBenefit paid without reduction for the low level of the SUB trust fund. "Extended SUBenefits" payable under this letter agreement will not be charged against the SUB Maximum Financial Liability Cap established under the 2003 Agreement.

5. "Extended SUBenefits" paid under this letter agreement are payable in lieu of any "Continuing SUBenefits" payable under any other letter agreement between the parties.

6. Payment of "Continuing SUB" to Employees who had previously terminated GIS Program eligibility will not requalify such Employees for GIS Benefits.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This will confirm an understanding between the Company and the Union with respect to the 2003 GM-UAW SUB Plan.

In the event the SUB Maximum Financial Liability Cap, as adjusted by any amount shifted between the JOBS and SUB Maximum Financial Liability Caps, and including any additional amount generated by the formula (which cannot exceed $447 million) under Section 3(d) of Article VII, becomes exhausted with respect to the 2003 SUB Plan at any time during the period covered by such Plan, the applicable provisions of the 1987 GM-UAW SUB Plan (including benefit eligibility, calculation, duration and funding) shall be reinstated to provide thereunder SUBenefits for subsequent Weeks of layoff to otherwise eligible Employees. It is further understood that should the 1987 SUB Plan be reinstated, it will include (i) a book account balance equal to the SUB Plan trust Fund balance as of the 1990 SUB Plan effective date ($14,768,027.21), to be used for the payment of SUBenefits thereafter under the 1987 Plan provisions, and including usage, under the 1987 SUB Plan provisions, of the ACA and GBA contingency account balances as of the 1990 SUB Plan effective date, (ii) contributions based on hours compensated will be based on Article VII, Section 5 of the 1987 Plan, as modified by this letter, with the percentage relationship of the value of the assets of the Fund to the maximum funding of the Fund determined including the balance in the book account in determining the asset value, (iii) any balance in the book account will be treated as assets in the Fund for determining the CUCB for credit unit cancellation purposes and all other provisions in which the assets

affect benefits or financing, and (iv) additional contributions will be made to the Fund equal to interest on an amount equal to the balance in the book account on the same basis as if that amount were in the Fund.

As of such 1987 Plan reinstatement date, an Employee's Credit Unit balance, if any, shall be the unused balance of Credit Units (i) to the Employee's credit on October 8, 1990, if in Active Service on such date, or (ii) remaining to the Employee's credit as of the Employee's return to work date subsequent to October 8, 1990, if on layoff on October 8, 1990, or (iii) remaining to the Employee's credit as of the 1987 Plan reinstatement date, if the Employee is on layoff as of October 8, 1990 and does not return to work prior to such Plan reinstatement date, or (iv) suspended under the provisions of item #2 of the "Level of Benefit Entitlement" Letter Agreement attached to the 1990 SUB Plan, dated September 17, 1990.

In addition, should the 1987 SUB Plan be reinstated by the Company during the period covered by the 2003 SUB Plan, the Company contribution schedule set forth in Table D of the 1987 Plan shall be increased across the board by 4 cents.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the need to review for possible modification the monthly, quarterly and annual reports to the Union, as provided for under Article VII, Section 5 of the Plan.

Therefore, for such purpose the parties have agreed to review the format and specific information provided to the Union on a monthly, quarterly and annual basis. Any modifications are to be mutually agreeable and determined within 120 days after the effective date of the Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understanding that for purposes of Article IX, (12) of the SUB Plan, the definition of Employee will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

This letter confirms the following understanding between the Company and the Union regarding unused 1999 GM-UAW Supplemental Unemployment Benefit (SUB) Plan Continuing SUBenefit (C-SUB) and Extended SUBenefit (E-SUB) entitlement.

(1) Any unused 1999 SUB Plan C-SUB/E-SUB balance to an Employee's credit as of the effective date of the 2003 SUB Plan will be carried over and made available for use by such Employee during the term of the 2003 SUB Plan, provided:

(a) Such Employee is otherwise eligible to receive C-SUB or E-SUB under the 2003 SUB Plan;

(b) During the 60-day period immediately preceding September 15, 2003, such Employee had applied for or received at least one C-SUB/E-SUB Benefit under the 1999 SUB Plan;

(c) Any 1999 C-SUB/E-SUB Benefits paid to such Employee on or after the effective date of the 2003 SUB Plan will be deducted from the Employee's 1999 C-SUB/E-SUB balance otherwise eligible to be carried over as of such effective date; and,

(d) Any 1999 C-SUB/E-SUB entitlement carried over on behalf of such Employee will be made available upon the exhaustion of such Employee's 2003 C-SUB or E-SUB entitlement.

(2) Any Employee who did not apply for a C-SUB/E-SUB Benefit during the 60-day period immediately preceding September 15, 2003, solely because during such period the Employee was employed by the Company under the provisions of Appendix A, Section VII of the GM-UAW Collective Bargaining Agreement will be deemed to have "applied for or received" a C-SUB/E-SUB Benefit during such 60-day period.

(3) Any 1999 C-SUB/E-SUB entitlement carried over to the 2003 SUB Plan may be utilized for any Week of qualifying layoff, during the term of the 2003 SUB Plan, for which the Employee is otherwise eligible for a Regular Benefit under the Plan.

(4) Any C-SUB Benefits carried over and paid under the provisions of this Letter Agreement will be charged against the 2003 SUB Plan Maximum Financial Liability Amount. Any E-SUB entitlement carried over and paid on behalf of an Employee laid off from BOC-Leeds, CPC-Fiero, CPC-Framingham, or CPC-Lakewood, will not be charged to such Maximum Financial Liability Amount.

(5) Any Employee's entitlement to any unused C-SUB/E-SUB entitlement will expire at the earliest of (a) the Employee's return to work for the Company, (b) the expiration of the 2003 Collective Bargaining Agreement, or (c) except in the case of an Employee laid off from one of the four GM locations identified in #4 above, exhaustion of the 2003 SUB Plan Maximum Financial Liability Cap.

Any term used in this letter and defined in the Plan has the same meaning in this letter as in the Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide on-going training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.
- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.

- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.

2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets, administrative manuals (where applicable), relevant contract provisions and appropriate process descriptions. Upon approval by the Executive Board of Joint Activities, the cost of development, hardware

and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations the Company agreed to increase by $308 million the total financial liability that is provided under the 2003 GM-UAW JOBS Program and SUB Plan. This additional financial liability, upon joint Company and Union determination, can be used for expenditures under the above plans.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 2003 negotiations, the parties discussed the significant acts of terrorism and severe weather that had occurred during the term of the 1999 Agreement. The parties recognize that the provisions of Article I, Section 3(b)(2)(iii) and (v) provide that layoff resulting from these type of events are not qualifying layoffs under the Plan (except as provided in Article I, Section 3(b)(2)(v)).

The parties further recognize that the desirability of providing income security to employees impacted by these events must be balanced with overall impact on the Corporation.

The parties agreed that should events occur that would fall under these provisions, they would discuss the circumstances surrounding each event before relying on the above cited provisions.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 2003 negotiations, the parties discussed the filing of trade petitions seeking Trade Adjustment Assistance for laid off workers who might benefit from such filings. The Parties further discussed the mutual benefit associated with working together on such filings and agreed to continue such joint efforts where applicable.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Statement Of Intent

Notwithstanding the provisions of Exhibit A, Section 3(c) of The General Motors Hourly-Rate Employees Pension Plan; Exhibit D, Articles V and VI of the Supplemental Unemployment Benefit Plan, and the Items Agreed to by GM-UAW SUB Board of Administration; and Exhibit E, Section 6(a) of the Guaranteed Income Stream Benefit Program, which deal with local union representatives for each of these benefit plan areas, the Corporation and the Union agree as follows:

1. ***Appointment of Benefit Representatives***

(a) Local union benefit representative(s) and alternate(s) shall be appointed or removed by the GM Department of the International Union. Management benefit representative(s) shall be appointed or removed by management.

(b) Temporary replacement appointments may be made by the local union President for a minimum of one week and a maximum of four weeks. Replacement appointments for any absence in excess of four weeks also shall be made by the GM Department of the International Union. Replacement appointments in situations when the benefit representative(s) and alternate(s) are both absent but for less than one week and are on a leave of absence pursuant to the provisions of Paragraph 109 of the GM-UAW National Agreement may be made by the local union President. Any problems that may arise under this procedure may be discussed by the Corporation with the GM Department of the International Union.

(c) A local union benefit representative shall be an employee of the Corporation having at least one year of seniority, and working at the plant where, and at the time when, such employee is to serve as such representative or alternate. No such representative or alternate shall function until written notice has been given by the GM Department of the International Union to the Corporation.

In the case of temporary appointments, the notice should be given to local Management with additional copies forwarded to the GM Department of the International Union and the Corporation.

2. ***Number of Local Union Benefit Representatives***

(a) In plants having a total of less than 600 employees, there may be one local union benefit representative and one alternate.

(b) In plants having a total of 600 but less than 1,200 employees, there may be two local union benefit representatives and two alternates.

(c) In plants having a total of 1,200 but less than 2,000 employees, there may be three local union benefit representatives and three alternates.

(d) In plants having a total of 2,000 but less than 5,000 employees, there may be four local union benefit representatives and three alternates. If such plants have a total of 1,400 or more employees on the second and third shifts combined, there may be five local union benefit representatives and two alternates.

(e) In plants having a total of 5,000 but less than 8,000 employees, there may be five local union benefit representatives and two alternates.

(f) In plants having a total of 8,000 but less than 10,000 employees, there may be six local union benefit representatives and two alternates.

(g) In plants having a total of 10,000 or more employees, there may be seven local union benefit representatives and two alternates.

The number of employees as used herein shall include active employees, employees on sick leave of absence, and employees on temporary layoff.

3. Of the total number of local union benefit representatives and alternates otherwise available, one or

more representatives and alternates may be assigned to the second shift or third shift so long as the total number of representatives and alternates set forth in Paragraph 2. above is not exceeded.

4. When plant population changes occur which would increase or decrease the number of local benefit plan representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, unless such population change results from the discontinuance or addition of a shift or the opening or closing of a plant. In the event of a cessation of operations, the Corporation, at the request of the UAW General Motors Department of the International Union, will provide for the continuance of Benefit Representation. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the GM Department of the International Union.

5. Benefit Plan districts will be established by local mutual agreement. Only one local union benefit representative will function in a benefit district and will handle specified benefit plan problems raised by employees within that district pertaining to the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, and Guaranteed Income Stream Benefit Program agreements. An alternate will be permitted to function in the absence of a local benefit plan representative on the benefit plan representative's shift.

6. Any local union benefit representative may function as the member of the Pension Committee, as the member of the local Supplemental Unemployment Benefit Committee, as a member of the Guaranteed Income Stream Benefit Committee or handle benefit problems under the Life and Disability Benefits Program and the Health Care Program with respect to employees in such

representative's Benefit Plan district. An alternate may function in the absence of a local union benefit representative.

7. The time available to a local union benefit representative and alternate with respect to a Benefit Plan district may not exceed eight (8) regular working hours of available time in a day.

(a) On the local union benefit representative's regular shift and without loss of pay, a local union benefit representative(s) may accompany the management benefit representative for a mutually agreeable joint off-site visit to a local hospital, an impartial medical opinion clinic or a health maintenance organization, or other similar type joint ventures, with respect to benefit plan matters.

(b) A local union benefit representative attending a scheduled Management-Union Benefit Plan meeting on a shift other than the representative's regular shift will be paid for time spent in such meeting.

(c) One local union benefit representative attending the local union retiree chapter meeting will be paid for time spent in such meeting.

(d) The time spent in such local union retiree chapter meetings, off-site visits or Management-Union Benefit Plan meetings will not result in additional hours which exceed regularly scheduled shift hours, overtime premiums or an increase in representation time being furnished as a result of the representative(s) not working a full shift on the representative's regular shift.

8. The local union benefit representative shall be retained on the shift to which the representative was assigned when appointed as such representative regardless of seniority, provided there is a job that is operating on the representative's assigned shift which the representative is able to perform.

9. The Benefit Plans — Health and Safety office may be used by local union benefit representatives during their regular working hours:

(a) To confer with retirees, beneficiaries, and surviving spouses who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension Plan, Life and Disability Benefits Program and Health Care Program Agreements.

(b) If the matter cannot be handled appropriately in or near the employee's work area, to confer with employees who, during their regular working hours, ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(c) To confer with employees who are absent from, or not at work on, their regular shift and who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(d) To write position statements and to complete necessary forms with respect to a case being appealed to the Pension, SUB, or GIS Boards by an employee in the local union benefit representative's Benefit Plan district, and to write appeals with respect to denied life, health care, and disability claims involving employees within the representative's Benefit Plan district.

(e) To file material with respect to the Pension, Life and Disability Benefits, Health Care, SUB and GIS Agreements.

(f) To make telephone calls with respect to legitimate benefit problems raised by employees under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(10) Notwithstanding Item 7 of this Statement of Intent, during overtime hours, Local Union Benefit Representatives will be scheduled to perform in-plant benefit related activities, if they would otherwise have work available in their equalization group.

ITEMS AGREED TO BY GM-UAW SUB BOARD OF ADMINISTRATION

COVERING

2003 SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN

(These "Items Agreed To" are subject to change at any time by mutual agreement of the members of the GM-UAW SUB Board of Administration)

A. LOCAL COMMITTEES

1. Meetings of the "Local Committee" established pursuant to the Plan shall be arranged by mutual agreement between the Company and Union Local Committee members.

2. Where a number of Employees are laid off in a Week and the Company has determined that SUBenefits will not be payable for such layoff, the Company member of the Local Committee will contact the applicable Union member promptly, advise the Union member of the reasons for such determination, and arrange a meeting to discuss such reason(s). Such meeting will be held no later than the Week following the Week in which the layoff occurred (unless such time limit is extended by agreement of the Company and Union Local Committee members). Additional Local Committee meetings will be held as soon as possible, where necessary, until all the pertinent available facts with respect to the layoff have been made known to the parties.

3. Written minutes of all meetings of the Local Committee, including pertinent discussion, statements of position, and information exchanged, will be prepared and approved promptly by the parties.

4. The Union member of the Local Committee shall, after reporting to the Union member's supervisor, be granted permission to leave work during the Union member's regular working hours without loss of pay:

(a) to attend meetings of the Local Committee including sufficient time during such meeting to write the Union's position with respect to any appeals which are to be filed with the Board of Administration,

(b) to meet with an active Employee (or with a laid-off Employee, retiree, or other person reporting to the Plant) who requests the Union member of the Local Committee's presence in order to give the Union member of the Local Committee necessary information with respect to a problem concerning the payment, denial, or appeal of a SUBenefit or Separation Payment,

(c) to discuss with an Employee any change in the status of the Employee's appeal,

(d) to conduct investigations within the plant with respect to situations where a number of Employees are laid off for reasons for which the Company has determined that SUBenefits will not be payable,

(e) to conduct investigations within the plant concerning the reason or reasons for any Short Work Week,

with the understanding that the time will be devoted to the prompt handling of such matters.

5. (a) An Employee having a question concerning the amount of or the reason for nonpayment of an Automatic Short Week Benefit, may request the supervisor to call the Employee's Shop Committeeperson for the zone to discuss such question. Where applicable, the Shop Committeeperson for the zone may supply applications for SUBenefits and SUB appeal forms to the Employee to complete and file in accordance with the regular plant procedures. The Shop Committeeperson shall not process SUB appeals.

(b) The Union member of the Local Committee in a plant with multi-shift operations or at a location with multi-plant operations may request the Shop Committeeperson for the zone where a SUB problem arises to investigate such problem when it is impracticable for the member of the Local Committee to handle such problem, and report the findings of the

Shop Committeeperson's investigation to the Union member of the Local Committee. Such request may be made through the supervisor of the Union member of the Local Committee. The Union member of the Local Committee shall notify the Company member of the Local Committee that such request was made.

(c) Consistent with the purpose of Sections A4, A5(a), and A5(b) of this "Items Agreed To", a rule of reason should be applied in determining whether an Employee should be excused from the Employee's job in order to confer with the Union member of the Local Committee (or Shop Committeeperson for the zone) concerning a SUB problem. A rule of reason should likewise be applied when, due to production difficulties, excessive absenteeism, or other emergencies, it will not be possible to immediately relieve the Employee from the Employee's job. On many jobs, discussion between the Employee and the Union member (or Shop Committeeperson for the zone) is entirely practical without the necessity of the Employee being relieved. On the other hand, an Employee working on a moving conveyor, in an excessively noisy area, or climbing in and out of bodies, should be permitted a reasonable period of time off the job and a suitable place in which to discuss such problem with the Union member (or Shop Committeeperson for the zone). A suitable place in which to discuss such problem also should be permitted a laid-off Employee, a retiree, or other person reporting to the plant. This shall not interfere with any local practice which is mutually satisfactory.

6. Where the Local Committee has agreed to use the Mass Appeal Procedure (Item E hereunder), the Union member of the Local Committee will be permitted time to prepare necessary Employee notices concerning the mass appeal procedures, and to arrange with the president of the Local Union or the Chairperson of the Shop Committee for the posting of such notices.

7. Where a SUB disqualifying layoff has occurred because of circumstances arising at another Company plant, the Union member of the Local Committee may request the Regional Director of the International Union (or a specified representative), for such other Company plant, for assistance. The Regional Director (or the specified representative) shall be granted permission to visit such other plant in accordance with the provisions of Paragraph (38) of the National Agreement for the purpose of investigating specific SUB appeals arising out of such circumstances. The Regional Director (or specified representative) shall report the findings of the investigation to the Union member of the Local Committee making such request.

8. The power and authority of the Board to make determinations required pursuant to Article VI, Section 4 of the GM-UAW SUB Plan shall be, and hereby is, delegated until further notice to the Local Committees established under the Plan; provided, however, that if any Local Committee shall fail to make a determination when called upon to do so in a proper case, the case shall be referred to the Board by either the Union or management member of such Local Committee for appropriate Board action.

B. APPEAL PROCEDURE

1. *First Stage Appeals*

(a) Any Employee who disputes a written determination by the Company with respect to the payment or denial of a Benefit (except with respect to determinations made in connection with Article I, 1(b)(11) of the Plan), Separation Payment or a Lump-Sum Payment, may file an appeal to the Local Committee as provided in the Plan on Form GM SUB-6.

(b) A first stage appeal to the Local Committee shall be deemed to have been filed with the designated Company representative when it is received by the Company at the designated SUB office.

(c) In all cases where the Employee has filed a claim on Form GM SUB-6, the Local Committee shall review such claim as provided in the Plan. If the appeal is denied or not resolved by the Local Committee, the Employee shall be so advised on Form GM SUB-7, 7A, or 7B, whichever is applicable.

2. *Appeals to the Board*

(a) An appeal not resolved by the Local Committee may be appealed to the Board as provided in the Plan and shall be filed on Form GM SUB-8 (if by the Local Committee) or on Form GM SUB-8A (if by the Employee).

(b) If a Local Committee is no longer established due to the discontinuance of a plant, an Employee may file a first-stage appeal directly to the Board on Form GM SUB-6. Such appeal shall be considered filed with the Board when filed with the Board Secretary.

(c) Statements accompanying appeals to the Board as a part of the case file, shall be submitted either jointly or separately by the Union and Company members of the Local Committee; provided, however, that any such separate statements shall first be exchanged and reviewed by the Local Committee (including any additional rebuttal statements as desired by either party) prior to inclusion in the appeal file for submission to the Board.

(d) All appeal files submitted to the Board shall include a joint statement by the Management and Union members of the Local Committee setting forth the pertinent facts and circumstances involved, as agreed to by the parties.

(e) The entire content of any appeal file appealed to the Board shall be reviewed by the Local Committee prior to submission to the Board. Both

Local Committee members shall sign a joint appeal transmittal to the Board.

(f) The designated Company representative receiving the appeal to the Board shall promptly transmit the case file, in duplicate, to the Board; one copy of the complete file being mailed to General Motors Corporation and one copy to the International Union, UAW, at the respective addresses shown on the form.

(g) Upon receipt at the Board, all appeal files will be reviewed initially for Local Committee compliance with the foregoing procedures. If the Local Committee has failed to comply with such procedures, or if the appeal file is incomplete, the appeal file shall be returned to the Local Committee with directions to make the file complete in accordance with such procedures. The docketed appeal shall be stricken from the Board's docket. When the appeal file is again presented to the Board, the appeal covered by such file shall be redocketed.

(h) The Employee, the Local Committee, or the Union members of the Board may withdraw any appeal to the Board at any time before it is determined by the Board, on Form GM SUB-8B provided for that purpose. Copies of such completed form shall be given to the Employee, to a Management and the Union member of the Local Committee (if completed by Union members of the Board) and to the Board (if the appeal was previously referred to the Board).

(i) The Local Committee shall be advised in writing by the Board on Form GM SUB-9 of the disposition of any appeal previously considered by the Local Committee and referred to the Board. The Local Committee shall forward a copy of such Form GM SUB-9 to the Employee who initiated the appeal.

C. TIME LIMITS FOR APPEALS

The 30-day time limit for an Employee filing a first stage appeal directly to the Board (in the absence of an established Local Committee) shall begin on the day following the date of mailing of the Company's written determination. If the appeal is mailed, the date of filing shall be the postmark date of the appeal.

D. DIRECT BOARD APPEALS REGARDING ARTICLE I, 1(b)(11)

1. The Corporation members of the Board have advised the Union members thereof that all or part of a Regular Benefit has been paid under employee appeals to the Board involving the provisions of Article I, Section 1(b)(11) of the SUB Plan on the following basis:

"The Employee was otherwise eligible for a Regular Benefit for a Week under the Plan except for the sole reason that the Employee was excluded under the provisions of Article I, Section 1(b) thereof and the Employee was denied a State System Benefit only for one or more of the following reasons in addition to any other reason set forth under Article I, Section 1(b) of the Plan:

(i) the Employee was not available for work as required by the applicable State System, but the Employee's unavailability was because of emergency circumstances beyond the Employee's control, or because the Employee was summoned and reported for or performed jury duty, or because the Employee left the state while on a model change, plant rearrangement or inventory layoff, or because the Employee did not work all the hours made available by the Company provided that, for all such hours not worked, the Employee was excused in advance for personal business or for leave of absence for vacation purposes and that the Employee was on a qualifying layoff for the remainder of the Week;

(ii) the Employee received pay in lieu of a vacation;

(iii) the Employee was a full time student (as defined under the applicable State System) provided the Employee had been working full time for the Company while a full time student;

(iv) the Employee quit another employer to accept a recall to the Company;

(v) the Employee failed to meet the applicable State System reporting requirements and such failure was because of the Employee's death on or before the Employee's State System reporting day applicable to the Week."

2. The Corporation members of the Board have further advised the Union members thereof as follows with respect to Employee appeals to the Board involving the provisions of Article I, Section 1(b)(11) of the SUB Plan:

"Where an Employee was otherwise eligible for a Regular Benefit for a Week under the Plan except for the sole reason that the Employee was excluded under the provisions of Article I, Section 1(b) thereof and the Employee was denied a State System Benefit for a reason in addition to any other reason set forth under Article I, Section 1(b) of the Plan or under item 1 above of this Part D, the facts and circumstances of each such situation will be reviewed on a 'case by case' basis and, based upon the merits of each such 'case' pertinent to Article I, Section 1(b)(11), consideration given to the payment of all or part of a Regular Benefit. Such consideration shall also include whether to incorporate in the Benefit calculation the estimated amount of State System Benefit to which the Employee would have been otherwise entitled."

"Situations that will receive favorable consideration

under the provisions of this item 2 of Part D will include the following:

The denial of an Employee's State System Benefit for one or more Weeks of qualified layoff by reason of serving a penalty invoked under the State System as a consequence of a Company discharge of such Employee which was subsequently rescinded and where the Employee returned to work for the Company prior to the commencement of the layoff period for which the State System penalty is being served, or where the Employee's status was changed directly to qualified layoff as of the date the discharge was rescinded. If otherwise eligible therefor, Regular Benefits will be payable for such Weeks of layoff prospective from the date the discharge was rescinded and for which the State System penalty is being served, including in the calculation thereof an estimated amount of State System Benefit."

3. An Employee who disputes a written determination of Benefit ineligibility by the Company in connection with the provisions of Article I, Section 1(b)(11) of the Plan, may file a first stage appeal on Form GM SUB-6 directly with the Board. Such appeal shall be deemed to have been filed with the Board when filed with the designated Company representative in accordance with the provisions and procedures applicable to a first stage appeal. The Local Committee, while not empowered to make, or to attempt to make, any determination with respect to such appeal, shall review the claim promptly and submit statements to the Board, jointly or separately; provided, however, that any such separate statements shall be exchanged by the Local Committee members prior to submission to the Board.

Following review by the Local Committee, the Company representative shall promptly transmit the case file, in duplicate, to the Board pursuant to the

procedures under B, 2 above. The Local Committee shall be advised in writing by the Board on Form GM SUB-9 of the disposition of the appeal. The Local Committee shall forward a copy of the Form GM SUB-9 to the Employee who initiated the appeal.

E. MASS APPEAL SITUATIONS

The following special appeal procedure will apply in situations, as identified and agreed upon by the Local Committee, involving large numbers of Employees with respect to each of whom the pertinent facts and appeal issues are identical. This special appeal procedure shall apply only with respect to Employees who either have applied for and were denied a Benefit, Separation Payment or Lump-Sum Payment, or were paid a Benefit, Separation Payment or Lump-Sum Payment and believe that they were entitled to such payment in a greater amount. When an Employee dispute exists with respect to a Company determination concerning eligibility for or the amount of a Benefit, Separation Payment or Lump-Sum Payment, the Local SUB Committee shall select a representative Employee case as a test case for the specific issue(s) in dispute. The test case shall be processed in accordance with, and subject to, the regular appeal procedures. The Employee selected for test case purposes shall file a Form GM SUB-6 in accordance with the procedures governing a first stage appeal. The name of each Employee to be identified with the test case, together with the Week(s) involved, shall be made a matter of record and attached to the test case appeal file in a manner mutually satisfactory to the members of the Local SUB Committee. The required appeal forms will be completed with respect to the Employee test case only, but the Local SUB Committee and/or Board determination with respect to the test case, shall be equally binding with respect to all the Employee cases identified as a matter of record with the test case.

F. APPEAL FORMS

The SUB forms attached hereto have been adopted by the Board. They are identified as GM SUB-6, 7, 7A, 7B, 8, 8A, 8B, and 9.

G. TIME LIMIT FOR FILING EMPLOYEE'S BENEFIT APPLICATION

In any situation where an Employee has been denied a Benefit solely because the Employee failed to meet the 60-day application time limit required under the Plan, the Local Committee may extend such time limit if it determines that the Mass Appeal Procedures (Item E hereunder) apply, or that unusual and extenuating circumstances prohibited the Employee from filing the application within the allotted time.

H. APPLICATION AND APPEAL FORMS

Management will furnish a small supply of SUB application and appeal forms to the Union member of each Local SUB Committee upon request of such members. Such forms will be used by the Union member of the Local SUB Committee only to comply with requests from individual Employees.

I. DETERMINATION OF DATE SUBENEFIT OVERPAYMENT ESTABLISHED OR CREATED

For purposes of compliance with the 60 day time limit (pursuant to Article II, Section 4 of the Plan) for notifying Employees of any SUBenefit overpayment which results from a Company error in calculating a SUBenefit, such 60 day period shall be determined as beginning on the date of issue of the SUBenefit draft or check involved.

J. PAIRING CONCEPT

1. Pairing will not be applicable to a Work Week for which an Automatic Short Week Benefit is payable. Earnings and hours applicable to work for the Company,

as used in determining eligibility for and the amount of an Automatic Short Week Benefit, shall be only such earnings and hours that are applicable to days in the Work Week.

2. Determination of Regular Benefit eligibility shall be made with respect to the Work Week. The calculation of any Regular Benefit shall include only the hours and earnings applicable to the State Week except as otherwise provided in Article II, Section 3(a)(2). However, if an Employee works the Sunday immediately prior to the beginning of a period of layoff and solely because of such Sunday earnings is disqualified for a State System Benefit for the week or whose State System Benefit for the week is reduced, such Sunday earnings shall not be considered as Other Compensation for the purpose of calculating a Regular Benefit.

3. The Benefit as determined under Item (2) above for any state week shall apply to the Work Week or Pay Period which has at least 4 calendar days in common with such state week.

4. The Work Week which is selected by pairing Work Weeks and state weeks as in Item (3) above is used in applying the Employee's registration and application requirements, the applicable disqualifications under Article I, cost-of-living allowance and Years of Seniority.

K. BENEFIT OVERPAYMENTS

For the purpose solely of administering the provisions of Article II, 4(b)(1) and (2) of the SUB Plan, (1) the term "paycheck" will exclude payments made by the Company to a former Employee after the date such former Employee's seniority is broken, and (2) each 40-hour increment or fraction thereof paid to an Employee under the provisions of Paragraphs (191), (192), and/or (193) of the Collective Bargaining Agreement shall be deemed to be a "paycheck".

L. REPLACEMENT OF TRUST FUND SUB CHECKS

1. In those situations where either a Regular Benefit or a Separation Payment check, issued to an otherwise eligible Employee, has been lost, stolen or destroyed, a replacement SUB check promptly will be issued to the Employee claiming such loss, if, upon the submission by the Employee of a properly completed request for replacement of SUB check form, as provided by the Company:

(1) the Trustee determines that the check identified on the request for replacement of SUB check form has not yet been presented to the Trustee for payment and the Trustee stops payment of the check; or

(2) the Trustee determines that the check identified on the request for replacement of SUB check form has been paid by the Trustee, and the Employee has signed and submitted to the Company, a notarized forgery affidavit, as provided by the Company, certifying that the signature on the cashed check is not the Employee's own.

2. If a replacement check has been issued to an Employee based on the Employee's completed forgery affidavit, and, subsequent to the issuance of such replacement check the Trustee determines that the original check was either (1) cashed by the Employee or (2) cashed by an individual against whom the Employee refuses to file criminal charges or a civil claim after having been requested to do so by the Trustee or the Company; then the amount issued to the Employee in such replacement check immediately will be determined a SUB Plan overpayment. The date the Trustee informs the Company of its determination that the original check was cashed by the Employee or an individual against whom the Employee refuses to file criminal charges or a civil claim will be "the date the overpayment was

established or created", as provided under Article II, Section 4(a) of the SUB Plan. Any SUB Plan overpayment recovery shall be in accordance with Article II, Section 4 of the SUB Plan.

3. If a SUB Plan overpayment has resulted from the issuance of a replacement SUB check, and utilization of the overpayment recovery proceedings provided under Article II, Section 4 of the SUB Plan has not resulted in the return of the overpayment to the Trustee, then the amount of the overpayment may be assigned to a Board of Administration approved collection agency to recover such Plan overpayment. In accordance with Article VII, Section 6(d), of the SUB Plan, the Trustee shall be authorized to pay reasonable fees to the collection agency for services rendered, and the Fund shall be authorized to receive payments from the collection agency.

GM-UAW SUB BOARD OF ADMINISTRATION

Approved: **September 18, 2003**

FORM GM-SUB-6
(Rev 1/2000)

Local Committee Case No. _____

FIRST STAGE APPEAL
Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

Do Not Write in this Space
☐ TO BOARD
☐ TO LOCAL COMMITTEE

Employee _____ (Print) Social Security Number _____

Division _____ Plant or Location _____ Date _____

EMPLOYEE'S CLAIM
CROSS OUT the items in parentheses that do not apply)

CHECK ONE

☐ I received notice dated _____ that I am ineligible for (a lump sum payment) (a separation payment) (supplemental unemployment benefits).

☐ I received (a lump sum payment) (a separation payment) (supplemental unemployment benefits) in the amount of $_____ (and such supplemental unemployment benefit was paid for the week ending _____). The amount should have been $_____.

☐ I received notice of payment in error or overpayment of (a lump sum payment) (a separation payment) (supplemental unemployment benefits).

I believe this determination is improper and I hereby appeal.

_____
(Employee's Signature)

ADDITIONAL INFORMATION
(Give any details you think will be helpful to the Local Committee in resolving your appeal.)

(Use back of page if additional space is needed.)

TO EMPLOYEE:

This "First Stage Appeal" must be file with Local Plant Management within 30 days following the date of mailing (1) of the Company's notice of determination or (2) of the supplemental unemployment benefits payment, separation payment or lump sum payment. You may mail this appeal or deliver it in person to Local Plant Management or give it to a member of the Local Committee who may file it for you with a Local Plant Management.

If additional information is needed from you, you will be contacted. If your claim is granted, payment will be mailed to you. If your claim is rejected, you will be advised.

Copies: Management
Union
Employee

FORM GM-SUB-7

FORM GM-SUB-7
(Rev 1/2000)

Local Committee Case No._____

NOTICE OF
LOCAL COMMITTEE DECISION

Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: _____ Division

_____ _____

_____ Plant or Location

_____ _____

Your appeal, LOCAL COMMITTEE CASE No. _____, dated

_____, has been considered by the Local Committee. The Local Committee's decision is as follows:

_____ _____

_____ _____
(Management Representatives) (Union Representatives)

Date _____

Copies: Employee
Management
Union

FORM GM-SUB-7A

FORM GM-SUB-7A
(Rev 1/2000)

Local Committee Case No._____

NOTICE OF
LOCAL COMMITTEE DECISION
Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: _____ Division

_____ _____

_____ Plant or Location

_____ _____

Your appeal, LOCAL COMMITTEE CASE No. _____, dated

_____, has been considered by the Local Committee. The Local Committee has failed to resolve your appeal. The Company's determination from which you appealed remains in effect.

_____ _____

_____ _____
(Management Representatives) (Union Representatives)

Date _____

APPEAL PROCEDURE

If you disagree with the above decision, you may appeal to the GM-UAW SUB Board of Administration. Your appeal must be in writing on Form GM-SUB-6A, copies of which are available at the Local Union Office. Your appeal must be filed with the Board within 30 days following the date of this notice.

If you intend to appeal to the Board, save this notice.

Copies: Employee
Management
Union

FORM GM-SUB-7B
(Rev 1/2000)

Local Committee Case No._____

NOTICE OF
LOCAL COMMITTEE DECISION AND OF APPEAL TO BOARD

Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: _____ Division

_____ _____

_____ Plant or Location

_____ _____

Your appeal, LOCAL COMMITTEE CASE No. _____, dated _____, has been considered by the Local Committee. The Local Committee has failed to resolve your appeal. The Company's determination from which you appealed remains in effect.

An appeal from the Company's determination has been taken in your behalf to the Board of Administration by the Union members of the Local Committee. It will not be necessary for you to file an appeal with Board in this case. If additional information is needed from you, you will be contacted. If your claim is granted, payment will be mailed to you. If your claim is rejected, you will be advised.

_____ _____

_____ _____
(Management Representatives) (Union Representatives)

Date _____

Copies: Employee
Management
Union

FORM GM-SUB-8
(Rev 3/2003)

Local Committee Case No._____

LOCAL COMMITTEE APPEAL TO GM-UAW
BOARD OF ADMINISTRATION

Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: General Motors Global Headquarters
Employee Benefits Group
Mail Code 482-B37-A63
200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

International Union – UAW
General Motors Department
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

This is an appeal from the Company's determination involving _____ (Employee's Name), _____ (Division and Plant or Location). An appeal from this determination was taken to the Local Committee by the Employee and was considered by the Local Committee as CASE No. _____. The Local Committee having failed to resolve the First Stage Appeal, an appeal from the Company's determination is hereby taken to the Board of Administration.

In support of this appeal the undersigned stage:

(State how the requests in which the Supplemental Unemployment Benefit Plan is claimed to have been violated and set forth the facts relied upon as justifying a reversal or modification of the determination appealed.)

_____
(Union Member - Local Committee)

_____
(Union Member - Local Committee)

Date _____

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

FORM GM-SUB-8A
(Rev 3/2003)

Local Committee Case No. _____

EMPLOYEE APPEAL TO GM-UAW
BOARD OF ADMINISTRATION

Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: General Motors Global Headquarters
Employee Benefits Group
Mail Code 482-B37-A68
200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

International Union – UAW
General Motors Department
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

My appeal from the Company's determination to the Local Committee was considered by the Local Committee as CASE No. _____. The Local Committee having failed to resolve the First Stage Appeal, an appeal from the Company's determination is hereby taken to the Board of Administration.

In support of this appeal I allege:

(State here the respects in which you claim the Supplemental Unemployment Benefit Plan has been violated and set forth the facts relied upon as justifying a reversal or modification of the determination appealed.)

Employee's Signature _____ Social Security No. _____

Address _____
(Number and Street) (City) (State) (Zip Code)

Division _____ Plant or Location _____ Date _____

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

FORM GM-SUB-8B
(Rev 3/2003)

Local Committee Case No. _____

NOTICE TO
BOARD OF ADMINISTRATION OF WITHDRAWAL OF APPEAL

Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: General Motors Global Headquarters
Employee Benefits Group
Mail Code 482-B37-A68
200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

International Union – UAW
General Motors Department
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

The Board of Administration is hereby advised that Local Committee CASE No. _____, involving _____ (Employee's Name), _____ (Division and Plant or Location) which was appealed to the Board on _____, is hereby withdrawn.

Date _____

Signature(s) of Person(s) Making Withdrawal:

_____
(Employee)

OR

_____
(Union Member – Local Committee)
_____
(Union Member – Local Committee)

OR

_____
(Union Member – Board)
_____
(Union Member – Board)
_____
(Union Member – Board)

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

FORM GM-SUB-9
(Rev 1/2000)

Board of Administration Case No. _____

NOTICE OF
BOARD OF ADMINISTRATION DECISION

Supplemental Unemployment Benefit Plan
Pursuant to Agreement Between General Motors Corporation and the UAW

Division _____ Plant or Location _____

Address _____
(Number and Street) (City) (State) (Zip Code)

Employee Involved _____ Local Committee Case No. _____

DECISION OF BOARD

_____ _____

_____ _____

_____ _____
(General Motors Corporation Representatives) (International Union-UAW Representatives)

Date _____

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

NOTES

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Vol 6.

Supplemental Agreement

Covering

GUARANTEED INCOME STREAM BENEFIT PROGRAM

10/2/16

Exhibit E

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

127 pp

dated

September 18, 2003

(Effective October 13, 2003)

- 9/14/07

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EXHIBIT E

2003

SUPPLEMENTAL AGREEMENT

(Guaranteed Income Stream

Benefit Program)

GUARANTEED INCOME STREAM BENEFIT PROGRAM

On this 18th day of September 2003, General Motors Corporation hereinafter referred to as the Company, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, on behalf of the Employees covered by the Collective Bargaining Agreement of which this Supplemental Agreement becomes a part, agree as follows:

Section 1. Continuation and Amendment of the Program

(a) This Agreement and Program shall become effective on the first Monday immediately following the effective date of the Collective Bargaining Agreement of which this Agreement is a part.

(b) The Guaranteed Income Stream (GIS) Benefit Program which was attached as Exhibit E-1 to the Supplemental Agreement (Guaranteed Income Stream Benefit Program) between the parties dated September 28, 1999, shall be amended effective as of October 13, 2003, except as otherwise specified in this Agreement and the GIS Program* and maintained by the Corporation as amended for the duration of the Collective Bargaining Agreement of which this Agreement is a part, subject to the terms and conditions of the Guaranteed Income Stream Benefit Program attached to this Agreement as Exhibit E-1.

* *The definitions of Section 19 of Exhibit E-1 are applicable to this Agreement as if fully set forth herein.*

Section 2. Termination of the GIS Program Prior to Expiration Date

In the event that the GIS Program shall not become effective by reason of Section 5 of this Agreement or if the rulings described in Section 5 shall be revoked or modified in such manner as no longer to be satisfactory to the Corporation, notice of such event shall be provided to the Union within five working days, and all obligations of the Corporation under this Agreement and the GIS Program shall cease and the GIS Program shall thereupon terminate and be of no further effect.

Thereafter the parties shall negotiate, for a period of sixty (60) days or a mutually satisfactory longer period from the date of notice to the Union of receipt of such unfavorable ruling, with respect to adopting a program adhering as closely as possible to the language and intent of the provisions outlined in Exhibit E-1 for which a favorable ruling may be obtained.

Section 3. Obligations During Term of this Agreement

During the term of this Agreement, neither the Corporation nor the Union shall request any change in, deletion from or addition to the Program or this Agreement; or be required to bargain with respect to any provision or interpretation of the Program or this Agreement; and during such period no change in, deletion from or addition to any provision, or interpretation, of the Program or this Agreement, nor any dispute or difference arising in any negotiations pursuant to Section 2 of this Agreement, shall be an object of, or a reason or cause for, any action or failure to act, including, without limitation, any strike, slowdown, work stoppage, lockout, picketing or other exercise of economic force, or threat thereof, by the Union or the Corporation.

Section 4. Term of Agreement: Notice to Modify or Terminate

This Agreement and Program shall remain in full force and effect without change until the termination of the Collective Bargaining Agreement of which this is a part.

Section 5. Establishment of GIS Program

(a) The amendments to the Program provided for in Section 1 of this Agreement and incorporated in the Program, Exhibit E-1, effective for Weeks beginning on or after the Effective Date of this Agreement, shall be subject to subsequent receipt, if available, by the Corporation of rulings, satisfactory to the Corporation, if such rulings are deemed necessary by the Corporation, from the United States Internal Revenue Service and the United States Department of Labor (DOL) holding that such amendments will not have any adverse effect upon the favorable rulings previously received by the Corporation that:

(1) contributions to the Fund established pursuant to the Program constitute a currently deductible expense under the Internal Revenue Code, as now in effect, or under any other applicable federal tax law; and

(2) the Fund under the Program qualifies for exemption from Federal income tax under Section 501(c) of the Internal Revenue Code of 1986; and

(3) contributions by the Corporation to, and benefits paid out of, the Fund are not treated as "wages" for purposes of the Federal Unemployment Tax (FUTA), the Federal Insurance Contributions Act Tax (FICA), or Collection of Income Tax at Source on Wages, under Subtitle C of the Internal Revenue Code(except when certain benefits paid from the Fund are legally required to be treated as "wages" for purposes of FUTA, FICA and Federal income tax withholding); and

(4) no part of any such contributions or of any payments made by the Corporation under the Program are included for purposes of the Fair Labor Standards Act in the regular rate of any Employee; and

(5) this Agreement and the GIS Program do not constitute a pension plan under the Employee Retirement Income Security Act of 1974 (ERISA), which would be subject to ERISA's requirements relating to participation, vesting and funding.

If considered necessary, the Corporation shall apply promptly to the appropriate agencies for such rulings.

(b) Notwithstanding any other provisions of this Agreement or the GIS Program, the Corporation, with the consent of the Director of the General Motors Department of the Union, may, during the term of this Agreement, make revisions in the Program not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or maintain any of the above rulings. Any such revisions shall adhere as closely as possible to the language and intent of the provisions outlined in Exhibit E-1.

(c) In the event that rulings acceptable to the Corporation are not obtained, or having been obtained shall be revoked or modified so as to be no longer satisfactory to the Corporation, and it is determined by the Corporation that the GIS Program cannot become effective without such rulings, the Corporation, within five working days after disapproval, will give written notice thereof to the Union and this Agreement and the GIS Program shall thereupon have no force or effect, in which event Section 2 of this Agreement shall apply.

(d) If any state, by legislation or by administrative ruling or court decision, in the opinion of the Corporation does not permit Supplementation, then, but only with respect to Employees in such state:

(1) the GIS Program shall be amended to delete such provisions of the GIS Program which are the subject of such ruling, legislation or court decision;

(2) GIS Benefits which would have been payable in accordance with such deleted provisions of the Program shall be provided under a separate program or programs incorporating as closely as possible the same terms as the deleted Program provisions; and

(3) the Program shall be further amended to provide that Corporation payments under such separate program or programs shall be paid by the Corporation and applied against the Corporation's Maximum Company Liability Account as provided in Section 15(d) of the GIS Program.

(e) If any state, by legislation or by administrative ruling or court decision determines that the supplementary coverage approach provided in subsection 4(b) of the GIS Program is not permissible and as a result that the hospital-surgical-medical insurance provided by the other plan is denied and cannot be required to be paid under the State's insurance laws, then, but only with respect to Employees in such state:

(1) the GIS Program shall be amended to delete such provisions of the GIS Program which are the subject of such ruling, legislation or court decision; and

(2) the GIS Health Care and Life Insurance Coverages which would have been payable in accordance with such deleted provisions of the GIS Program shall be provided under a separate program or programs incorporating as closely as possible the same terms as the deleted provisions or such other provisions which as nearly as possible will accomplish the intent of the deleted provisions; and

(3) the Program shall be further amended to provide that Corporation payments under such separate program or programs shall be applied against the Maximum Company Liability Amount as provided in Section 15(d) of the GIS Program.

Section 6. General Provisions

(a) *Board of Administration*

(1) *Establishment*

There shall be established a Board of Administration (hereinafter referred to as the Board) consisting of six members, three of whom shall be appointed by the Company (hereinafter referred to as the Company members), and three of whom shall be appointed by the Union (hereinafter referred to as the Union members). Either the Company or the Union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. Both the Company and the Union shall notify each other in writing of the members respectively appointed by them before any such appointments shall be effective.

The Company and Union members of the Board shall appoint an impartial third person to act as an Impartial Chairperson who shall serve until such time as the Chairperson may be requested to resign by three members of the Board. In the event that the Company and Union members of the Board are unable to agree upon an Impartial Chairperson, the Umpire under the Collective Bargaining Agreement shall make the selection; provided, however, that the Company and Union members may by agreement request such Umpire to serve as the Impartial Chairperson of the Board. The Impartial Chairperson shall be considered a member of the Board and shall vote only on matters within the Board's authority to determine where the other members

of the Board shall have been unable to dispose of the matter by majority vote, except that the Impartial Chairperson shall have no vote concerning determinations made in connection with Section 15 of the Program.

(2) *Powers and Authority of the Board*

(i) It shall be the function of the Board to exercise ultimate responsibility for determining whether an Employee is eligible for a GIS Benefit under the terms of the Program, and, if so, the amount of any GIS Income Benefits payable. The Board shall be presumed conclusively to have approved any initial determination by the Company unless the determination is appealed as prescribed in this Section 6.

(ii) The Board shall be empowered and authorized and shall have jurisdiction to:

(aa) hear and determine appeals by Employees pursuant to this Section 6;

(bb) obtain such information as the Board shall deem necessary in order to determine such appeals;

(cc) prescribe the form and content of appeals to the Board and such detailed procedures as may be necessary with respect to the filing of such appeals;

(dd) direct the Trustee or the Company, as applicable, to make payments of GIS Income Benefits and to provide GIS Health Care and Life Insurance Coverages pursuant to determinations made by the Board;

(ee) hear and determine appeals of the allocation, initially made by the Company, for any Week of Statutory Benefits and Income from Other Sources;

(ff) prepare and distribute, on behalf of the Board, information explaining the Program;

(gg) make any determination with respect to reducing the amount of GIS Benefits in connection with the status of the Maximum Company Liability Amount as provided for under Section 15(d)(2) of the Program. The Impartial Chairperson of the Board shall have no authority to participate in any such discussions or to vote to reduce any GIS Benefit; and

(hh) perform such other duties as are expressly conferred upon it by this Agreement.

(iii) In ruling upon appeals, the Board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirements set forth in the Program, the procedure for applying for GIS Benefits as provided therein, or any other provisions of the Program; and shall have no jurisdiction other than to determine, on the basis of the facts presented and in accordance with the provisions of the Program:

(aa) whether the appeal to the Board was made within the time and in the manner specified in this Section 6,

(bb) whether the Employee is an eligible Employee with respect to the GIS Program, and, if so,

(cc) the amount of any GIS Benefits payable.

(iv) The Board shall have no jurisdiction to act upon any appeal not made within the time and in the manner specified in this Section 6.

(v) The Board shall have no power to determine questions arising under the Collective Bargaining Agreement, even though relevant to the issues before the Board. All such questions shall be determined through the regular procedures provided therefor by the Collective Bargaining Agreement, and all determinations made pursuant to such Agreement shall be accepted by the Board.

(vi) Nothing in this Section or in the Program shall be deemed to give the Board the power to prescribe in any manner internal procedures or operations of either the Company or the Union.

(vii) The Board may make recommendations to the Company with respect to the Company's establishment of rules, regulations and procedures for carrying out the Company's duties under the GIS Program as provided for under Section 11(a) of the Program, and the Company shall give consideration to such Board recommendations.

The Board shall have full power and authority to administer the Program and to interpret its provisions. Any decision or interpretation of the provisions of the Program shall be final and binding upon the Company, the Union, the employees and any other claimants under the Program, and shall be given full force and effect, subject only to an arbitrary and capricious standard of review.

(viii) The Board may provide for a Local Committee at a Facility of the Company. The Local Committee shall be composed of 1 member designated by the Company members of the Board and 1 member designated by the Union members of the Board. Appointments to the Local Committee shall become effective when the members' names are exchanged in writing between the GM Department of the Union and the Industrial Relations Staff of the Company. Either the Company or Union members of the Board may remove a Local Committee member appointed by them and fill any vacancy among the Local Committee members appointed by them.

Any individual appointed by the Union as a member of a Local Committee shall be an Employee having Seniority at the Facility where, and at the time when, such Employee is to serve as a member of the Local Committee.

In addition to their regularly appointed Local Committee member, the Union members of the Board may name 1 additional Employee, who qualifies under the above, as an alternate Local Committee member to serve during temporary specified periods when the Local Committee member is absent from the Facility during scheduled working hours and unable to serve on the Committee. The Company members of the Board may also name 1 alternate Local Committee member to serve during temporary specified periods. The alternate Local Committee member may serve on the Local Committee when the party desiring such alternate Local Committee member to serve gives notice, locally, to the other party of such temporary service and the period thereof.

(3) *Quorum; Voting*

To constitute a quorum for the transaction of business, there shall be required to be present at any meeting of the Board at least two Union members and two Company members. At all meetings of the Board the Company members shall have a total of three votes and the Union members shall have a total of three votes; the vote of any absent member being divided equally between the members present appointed by the same party. Except on matters with respect to which the Program specifies otherwise, decisions of the Board shall be by a majority of the votes cast, with the Impartial Chairperson empowered to cast the deciding vote in cases where there shall have been a tie vote.

(4) *Compensation and Expenses*

The compensation of the Impartial Chairperson, which shall be in such amount and on such basis as may be determined by other members of the Board, shall be shared equally by the Company and the Union. The Company members and the Union members of the Board or any Local Committee shall serve without

compensation. Reasonable and necessary expenses of the Board for forms and stationery required in connection with the handling of appeals shall be borne by the Company.

(5) *Liability of Members of the Board*

The Board and any member thereof shall be entitled to rely upon the correctness of any information furnished by the Union or the Company. Neither the Board nor any of its members, nor the Union, nor any officer of or any other representative of the Union, nor the Company nor any officer or any other representative of the Company, shall be liable because of any act or failure to act on the part of the Board, or any of its members, to any person whatsoever, except that nothing herein shall be deemed to relieve any such individual from liability for such individual's own fraud or bad faith or from responsibility or liability for any obligation or duty under ERISA.

(b) *Appeal Procedures for GIS Benefits*

(1) *Applicability of Appeal Procedure*

(i) The appeal procedure set forth in this Section may be employed only for the purposes specified in this Section.

(ii) An Employee may appeal from the Company's written determination with respect to the payment or denial of GIS Benefits by filing a written appeal with the Board on a form provided for that purpose.

(iii) Such appeal shall be filed in writing within 70 days following the date of mailing of the determination appealed. With respect to an appeal that is mailed, the date of filing shall be the postmarked date of the appeal. No appeal filed after such 70-day period will be valid.

(iv) Such appeals shall specify the respects in which the Program is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.

(v) The handling and disposition of each appeal to the Board shall be in accordance with regulations and procedures established by the Board. Such regulations and procedures shall provide that in situations where a number of Employees have filed applications for GIS Benefits under substantially identical conditions, an appeal and the decision of the Board thereof shall apply to all such Employees.

(vi) The Employee or the Union members of the Board may withdraw an appeal to the Board at any time before it is decided by the Board.

(vii) There shall be no appeal from the Board's decision. It shall be final and binding upon the Union, its members, the Employee, the Trustee and the Company. The Union shall discourage any attempt of its members to appeal, and shall not encourage or cooperate with any of its members in any appeal, to any court or administrative agency from a decision of the Board, nor shall the Union or its members by any other means attempt to bring about the settlement of any claim or issue on which the Board is empowered to rule hereunder.

(viii) The Employee shall be advised, in writing, by the Board of the disposition of any appeal.

(c) ***Notice Copies to Union***

Copies of the Company notices issued to Employees concerning ineligibility for GIS Benefits and the Company's exercise of its option to deny a Redemption Payment, will be furnished to the Union.

(d) ***Maximum Company Liability Amount***

The Maximum Company Liability Amount as provided for under Section 15(d) of the Program shall be an amount equal to $173,000,000.

Section 7. Recovery of Benefit Overpayments

If it is determined that any benefit(s) paid to an Employee under a General Motors benefit plan incorporated under the GM-UAW National Agreement or any Exhibits thereto, should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to such Employee and the Employee shall repay the amount of the overpayment.

If the Employee fails to repay such amount of overpayment promptly, the Corporation, on behalf of the applicable benefit plan, shall recover the amount of such overpayment immediately from any monies then payable, or which may become payable, to the Employee in the form of wages or benefits payable under a General Motors benefit plan (excluding The General Motors Hourly-Rate Employees Pension Plan) incorporated under the GM-UAW National Agreement or any Exhibits thereto.

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
Ron Gettelfinger	G. Richard Wagoner, Jr.
Richard Shoemaker	Gary L. Cowger
Jim Beardsley	Troy A. Clarke
Henderson Slaughter	John R. Buttermore
Joe Spring	Dean W. Munger
Bill Stevenson	Thomas A. Croskey
Dave Curson	Francis S. Jaworski
Jim Shroat	Carleton V. Matzelle
Ron Bieber	Gary N. Pheley
Scott Campbell	Jean L. Rose
Antonio Ortiz	Arthur R. Schwartz
Tom Walsh	Jay C. Wilber
Tom Weekley	L. L. Williams
Willie Williams	Rex R. Blackwell
Leon Skudlarek	John P. Cardiero
Esther Campbell	Leon P. Cornelius
Harold Cox	Donald E. Frazier
Greg Fedak	Anita Riddle Johnson
Mark Kelly	Larry E. Knox
Faye McAfee	Terry Lee
Rick McKiddy	Cheryl A. Ollila
Paul Mitchell	Alejandro J. Perez
Harold Shelton	D. Scott Sandefur
David Shoemaker	John L. Behnfeldt
Lawrence Smith	Bruce E. Bradley
Maurice Staten	W. Gary Bryant
Cindy Suemnick	Kevin W. Cobb
Larry Szumal	Stuart R. Cohen
Ron Brogan	Preston M. Crabill
Bob Bueno	Leigh J. Dushane
Midge Collette	Andrea M. Ebbitt
Mark Hawkins	Ruth V. Fluegge
Jim Jenkins	Daniel G. Galant
Lee Jones	Michael A. Hall
Mike Jones	Ralph E. Hanson
Larry Kuk	David T. Hosea
Rick O'Donnell	Michael G. Houghton
Darrell Shepard	Elizabeth A. Keys
Clyde Sims	James W. LaLonde
Ray Allen	Terry J. McDougall
Paul Allmand	Robert D. Moroni
Gordon Andrews	Daniel J. Osborne
Nate Beardsley	Joseph J. Piechocki
Jim Blaine	Edward W. Risko
Ron Blythe	Gregory Spalding
Joan Bryant	Jennie F. Spring

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
Rebecca Cabreros	Michael Taylor
Patti Campbell	J. Mike White
Debbie Chamberlain	Janice M. Whitehouse
Jerry Chotkowski	Ava D. Aubrey
James Ciotti	James F. Ball
Jerry Clifton	Renee M. Barone
Jim Clifton	Rebecca L. Beamish
Tim Cobb	Steven L. Blackmer
Charlie Coy	Maria Bogatay
Bryan Czape	Paul E. Brasseur
Shelley Czeizler	Peter J. Buczek
Charlie Best	Mark C. Pieroni
Steve Czerneski	Rosemarie C. Bush
George Dakuras	Derrick Campbell
Dick Diffin	Maria T. Cantu
Terry Dolan	Magdalena T. Chavez
Don Douglas	David R. Ciesco
Dave Dremer	Robert J. Cleghorn
Scott Farraday	Michael V. Coletta
John Fedewa	Bruce R. Cooper
Tom Ford	Thomas L. Cragg
Bill Freeman	Eva J. Csendes
Ron Graham	James P. Davis
Moses Green	David W. Demko
Mike Grimes	Rita Derencius
Charlie Gross	Diane M. Downs
Leslie Haliburton	Michael J. Douglas
Frank Hammer	Edward L. Driver
Bill Hayes	Kevin B. Duff
Ken Holder	Randi C. Dulaney
Diana Hrovatin	Joan M. Ebner
Mohammed Isa	Anthony Echols
Dave Kagels	Harry Fischer
Jim King	Patrick R. Frazee
Tom Kinman	Kit Frohardt-Lane
Pete Korolenko	Dawn D. Gallinger
Dave Koscinski	Diana Gowing
Dan Lack	Cynthia M. Haley
James Lake	Robert T. Hart
Diane Lawton	Sandra A. Heard
Randy Lentz	Valerie Howard
Reg McGee	Jan Hubbell
Steve McLimans	Sondra P. Huddleston
Greg Nelson	Thomas J. Ireland
Don Newton	Joseph L. Jarjosa
Kris Owen	Thomas F. Jelenek

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
ED PARKER	BARRY R. JOHNSON
LINDA PATTON	JEFFREY W. JOHNSON
RITA PERSINGER	LESLIE E. JONES
STEVE RAICH	DAVID S. KADY
FRED RASPBERRY	DONALD KARPINSKI
BONNI REFFITT	JAMES J. KEENAN
LORENZO RIVERA	MICHAEL W. KENERSON
JOHN RUPP	RICHARD J. KILLEWALD
RUSS RUSSAW	WILLIAM B. KILGORE
BILL SAVAGE	CYNTHIA KIRMAN
JIM SAYLOR	JO ANN KITCHEN
RENE SCHUTTE	DARYL L. KLINKO
BILL SCRASE	DAVID A. KUNKLE
DARRELL SMITH	ELIZABETH M. LAMARRA
JAMES STEVENS	TIMOTHY H. LEE
STAN STOKER	TIFFANIE Y. LEWIS
TOM STRUCKMAN	SONJA J. LEWIS-SHELLS
CRICKETT SWEET	TED M. MAKOWIEC
LIBBY TOMASKO	GWENDOLYN D. MALONE
EDDIE TRENT	PAMELA M. MARTIS
KENNY VANHORN	MARK R. MCCARTHY
DWAYNE WALDROP	DENISE MCDONALD
RON WALKER	TIMOTHY J. MCDONALD
JOANNA WHITAKER	SALLY MCMAHON-JONES
MICHAEL WILSON	DAVID P. MIDDLETON
AL YELLE	EDWARD G. MOHR
	ANDREA V. OHINS
	SUSAN M. PANG
	CHE B. PETERSON
	BRIAN J. PFAFF
	SHARRI R. PHILLIPS
	RICHARD E. POMPA
	JOANNE M. PRITCHARD
	JULIE D. PUTRICH
	MICHAEL W. RALEIGH
	KIMBERLY REED-THOMAS
	SHAWN M. REYNOLDS
	ROBERT R. RIEGLE
	ANTHONY J. ROBERTS, JR.
	GERALD H. SAMUELIAN
	KATHRYN A. SAWATZKI
	MICHELLE SCHEER
	SHARON A. SCRIVEN
	BRUCE W. SMITH
	MICHAEL D. SOUTHWELL
	CRAIG A. SPECKMANN

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
	MONICA J. SWART
	RENAE L. TALLON
	AMBER R. TAYLOR
	DAVID L. THORPE
	LOIS VAN LENTE
	CARL A. VEREEN
	SHELLY L. VOLLING
	PAUL WEHRWEIN
	LAWRENCE J. WHETSTONE, JR.
	TOM W. WICKHAM
	MARY E. WILLIAMS
	SHERRY H. WILLIAMS
	CHARLES E. WRIGHT
	MICHELLE A. YUCHA
	BRIAN E. ZIELINSKI

EXHIBIT E-1

2003

GUARANTEED INCOME STREAM BENEFIT PROGRAM

GUARANTEED INCOME STREAM BENEFIT PROGRAM

Section 1. General

The Guaranteed Income Stream Benefit Program is designed to promote employment stability and avoid layoffs. The GIS Program provides a guaranteed minimum income, health care and life insurance coverages, subject to the terms, conditions and limitations contained in this Program (including the definitions contained in Section 19 hereof), for eligible long-service Employees who become laid off from the Company on or after March 1, 1982 and during the terms of the 1982 through 2003 Collective Bargaining Agreements, inclusive.

Section 2. Eligibility for a GIS Benefit

An Employee at Work on or after March 1, 1982 and laid off during the terms of the 1982 through 2003 Collective Bargaining Agreements, inclusive, shall be eligible for a GIS Benefit for any Week beginning on or after October 13, 2003, if with respect to such Week the Employee meets all of the following conditions:

(a) Was, for the entire Week, on a qualifying layoff as described in Section 3.

(b) (1) If laid off during the terms of the 1982, 1984 or 1987 Collective Bargaining Agreements, had at least 15 Years of Seniority (10 Years of Seniority with respect solely to a Plant Closing situation), under the terms of the Collective Bargaining Agreement, on the last day the Employee Worked prior to the effective date of such layoff.

(2) If laid off during the terms of the 1990 through 2003 Collective Bargaining Agreements, inclusive, had at least 10 Years of Seniority under the terms of the Collective Bargaining Agreement, on the

last day the Employee Worked prior to the effective date of such layoff.

With respect to a Plant Closing situation, if an otherwise eligible Employee has 10 or more Years of Seniority on such employee's first day of layoff and such first day is within 5 years prior to any subsequent date of the Plant Closing announcement, such Employee will be deemed eligible for GIS Benefits commencing with the first full Week following the date of the Plant Closing announcement.

(c) Has both

(1) Exhausted all entitlement under the SUB Plan or any other "SUB" Plan of the Company and has had no SUB entitlement canceled after the qualifying layoff for GIS Benefits under the SUB Plan for willfully misrepresenting any material fact in connection with an application for benefits under the SUB Plan; provided, however, that if the Employee has entitlement under the SUB Plan or any other "SUB" Plan of the Company but the Regular Benefit would be delayed under the SUB Plan for any Week because of exhaustion of the Advance Credit Account and the Guaranteed Benefit Account under the SUB Plan, an eligible Employee may elect to begin receipt of GIS Benefits, in which event the Employee must elect that all the Employee's remaining SUB entitlement shall thereupon be canceled under the SUB Plan and any other "SUB" Plan of the Company; and

(2) A zero balance in the Employee's Security Fund Account under the General Motors Income Security Plan except for an amount equal to no more than the amount of any balance of Employee contributions in the Account at the start of the Employee's current continuous layoff from the Company; provided, however, that for Weeks of continuing layoff following the first Week of layoff for

which the Employee satisfies the foregoing exception and is otherwise eligible for a GIS Benefit, such excepted amount of Employee contributions in the Account may also include subsequent interest allocations based solely thereon; and provided further, that such excepted amount of Employee contributions plus interest at the end of the period of layoff (plus subsequent interest allocated to such excepted amount) shall be added, at the start of any subsequent period of layoff, to the amount equal to the amount of additional Employee contributions (plus accrued interest thereon) in the Employee's Account since the end of the Employee's previous layoff period.

(d) Has not received on or after the Effective Date a Separation Payment under Article IV of the SUB Plan (or any other "SUB" Plan of the Company), unless the Employee returns to Work and thereafter Works 15 years and thereby becomes eligible for any future GIS Benefits that may be available; provided, however, that an otherwise eligible Employee hereunder who elects Separation Payment under the SUB Plan will also receive a Redemption Payment under Section 6 at the same time.

(e) Is either

(1) working with a subsequent employer;

(2) meets the definition of able and available for work, utilized by the applicable Public Employment Service, for purposes of the receipt of a State System Benefit and meets the eligibility requirements other than minimum number of qualifying weeks for such State System Benefit for such Week even though the Employee may have exhausted such benefits;

(3) is participating in a jointly approved vocational training program; or

(4) (i) becomes wholly and continuously disabled after such otherwise qualifying layoff began, and

(ii) remains wholly and continuously disabled for a period of more than one Week (the period of eligibility shall not include the first Week of such disability), and

(iii) is under a doctor's care;

provided, however, that such eligibility while disabled shall cease when the Employee becomes eligible for a disability retirement benefit under the Retirement Plan or has been paid a cumulative total of 52 Weekly GIS Income Benefits while disabled, whichever occurs first. If the Employee's State System Benefits are exhausted, any reporting requirements associated with State System Benefit eligibility will not apply under this paragraph.

(f) Except when eligible while disabled under subsection 2(e) above, maintains an active registration for such Week with the applicable Public Employment Service for purposes of locating employment opportunities.

(g) Reports on a Timely Basis as required to the Company or its designated representative:

(1) Income from Other Sources,

(2) Statutory Benefits,

(3) Insurance Coverages from Other Sources,

(4) evidence of active registration with the Public Employment Service,

(5) changes in employment status.

(h) Provides the Company or its designated representative or appropriate federal, state, or local governmental agencies, as required, with any waivers,

releases and reasonable evidence that may be required by such agencies or the Company for purposes of verifying the Employee's eligibility for and amount of GIS Benefits.

(i) Has made an application for GIS Benefits in accordance with procedures established by the Company.

In addition, except when eligible while disabled under subsection 2(e) above, in order to be eligible for GIS Benefits an Employee must accept Suitable Employment provided for or arranged by the Company, Agent of the Company or Public Employment Service and must not have broken Years of Seniority for any reason other than that the Employee shall have been continuously unemployed by the Company and had broken Seniority under the time for time provisions of the Collective Bargaining Agreement.

Section 3. Conditions with Respect to Layoff

(a) A layoff for purposes of the GIS Program includes any Seniority layoff except an inverse Seniority layoff resulting from a reduction in force, including a layoff resulting from the discontinuance of a Facility or an operation, and any layoff occurring or continuing because the Employee was unable to do the work offered by the Company although able to perform other work in the Facility to which the Employee would have been entitled if the Employee had had sufficient Seniority.

(b) An Employee's layoff for any Week shall be deemed qualifying for purposes of the GIS Program only if:

(1) such layoff was for the entire Week;

(2) such layoff was from the Bargaining Unit;

(3) such layoff was not for disciplinary reasons, and was not a consequence of:

(i) any strike, slowdown, work stoppage, picketing (whether or not by Employees), or concerted action, at a Company Facility or Facilities, or any dispute of any kind involving Employees, whether at a Company Facility or Facilities or elsewhere,

(ii) any fault attributable to the Employee,

(iii) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),

(iv) sabotage or insurrection, or

(v) any act of God;

(4) at a time when the Employee was on an otherwise qualifying layoff for purposes of the GIS Program or after having been advised that the Employee would be placed on such a layoff in the future, the Employee did not refuse or fail to appear for an employment interview, (unless for Good Cause), or refuse any offer of employment (including employment with the Company outside the Bargaining Unit) which the Employee was then capable of performing at another Company Facility, or at the Company Facility where the Employee last worked, the acceptance of which could have avoided, delayed or reduced the period of the layoff that otherwise would have qualified the Employee for GIS Benefits except that until 2 years immediately following the Employee's last day Worked, or if less, the last day of eligibility for a regular SUB Plan benefit, the Employee may refuse an offer which such Employee has a right to refuse under the Local Seniority Agreement(s) of the Bargaining Unit(s) in which the Employee has Seniority, and still remain eligible for a regular benefit under the SUB Plan. If the employment

or employment interview which was refused is at a different Company Facility which is more than 50 miles from the Employee's address of record for purposes of the GIS Program and from the Company Facility where the Employee last worked or is currently working for the Company, the Employee shall not be ineligible hereunder; provided, however, that an otherwise eligible Employee who refuses a temporary part-time position with the Company will remain eligible for GIS Benefits; and

(5) the Employee retains Years of Seniority under the Collective Bargaining Agreement, except that an Employee shall continue to be covered by this Program if the Employee has broken such Years of Seniority, but only if the reason therefor is that the Employee has been continuously unemployed by the Company and Seniority was broken under the time for time provisions of the Collective Bargaining Agreement.

(c) In addition, an Employee who enters the Armed Services of the United States directly from the employ of the Company shall while in such service be deemed, for purposes of the Program, to be on leave of absence and shall not be entitled to any GIS Benefits or payments for such period of absence. However, if an Employee is on short term active duty of 30 days or less, for required military training, in a National Guard, Reserve or similar unit and is ineligible under the Collective Bargaining Agreement for pay from the Company for all or part of such period solely because the Employee would be on a qualifying layoff but for such active duty, the Employee will be deemed to be on a qualifying layoff, for the determination of eligibility for not more than two GIS Income Benefits in a calendar year; provided further, however, that this two GIS Income Benefit limitation shall not apply to short term active duty of 30 days or less for an otherwise eligible Employee because such Employee was called to

active service in the National Guard by state or federal authorities in case of public emergency.

Section 4. Description of GIS Benefits

An Employee eligible for GIS Benefits, in accordance with Section 2 above, is entitled to a GIS Income Benefit and to GIS Health Care and Life Insurance Coverages as provided in this Section, and reduced as provided in this Section and in Section 5, until the Employee's eligibility for such benefits is terminated or suspended as provided in Sections 7 and 8, respectively, or until the Maximum Company Liability Amount, as defined in Section 15(d), has been reached.

(a) *GIS Income Benefit*

(1) At the time of layoff, a guaranteed income level will be calculated for each Employee who thereafter may be eligible for a GIS Income Benefit. For eligible Employees with 10 to 15 Years of Seniority, the guaranteed income level will equal 50% of an Employee's Weekly Before-Tax Base Earnings on the last day at Work prior to the layoff establishing eligibility hereunder, increased by one (1) additional percentage point for each whole year that the Employee's Years of Seniority as of the last day at Work prior to such qualifying layoff exceeds 15 Years of Seniority (fractional years of such Seniority shall be disregarded), or if lesser, in the case of an Employee eligible while disabled under subsection 2(e)(4), the weekly Sickness and Accident Benefit payable under the Life and Disability Benefits Program which applied or would have applied to the Employee if disabled on the Employee's last day at Work.

(2) The maximum guaranteed income level hereunder is the lesser of (i) 75% of Weekly Before-Tax Base Earnings or (ii) 95% of Weekly After-Tax Base Earnings, as of the Employee's last day Worked prior to

the qualifying layoff, less $30.00, or (iii) if the Employee is eligible under any Company plan or program then in effect to receive, at the Employee's option, either (a) a monthly retirement benefit unreduced for age because of (1) a contingent event unrelated to age or (2) disability, or (b) a monthly retirement benefit containing a supplemental allowance based on attaining a specified number of years of service, the weekly equivalent of the monthly amount of the retirement benefit that would be payable.

In determining the maximum guaranteed income level, the weekly equivalent of benefits paid on a monthly basis is computed by dividing the monthly benefit amount by 4.33.

(3) The gross amount of the GIS Income Benefit payable to an eligible Employee will equal the guaranteed income level reduced by offsets provided under Section 5 of the Program.

(4) The GIS Income Benefit for a Week which equals at least $100 will be paid as soon as practical after receipt of a completed application for such Week. If the amount payable for any Week would be less than $100, payment will be distributed after the Week in which the Employee's unpaid GIS Income Benefit equals at least $100. When the Employee's eligibility for GIS Benefits is suspended or terminated, accumulated unpaid GIS Income Benefits, regardless of amount, will be paid subject to the provisions of Section 5.

(5) For purposes of determining the maximum guaranteed income level under subsection 4(a)(2)(ii) of this Section, an Employee's exemptions for withholding tax purposes will be equal to the Employee's actual number of personal and dependency exemptions (excluding exemptions for blindness and for age 65 years or over) which would be allowable on the

Employee's Federal income tax return as of the Employee's last day at Work prior to layoff.

(6) The Corporation, upon authorization from an Employee, shall deduct monthly union dues from GIS Income Benefits paid under the Program and pay such sums directly to the Union on the Employee's behalf.

(b) *GIS Health Care and Life Insurance Coverages*

An Employee who is eligible to receive GIS Benefits will receive GIS Health Care and Life Insurance Coverages, as determined in accordance with this paragraph, until termination of GIS Benefits or suspension of eligibility for GIS Health Care and Life Insurance Coverages. The GIS Health Care and Life Insurance Coverages consist of Hospital-Surgical-Medical coverage and Life Insurance; provided, however, that Hospital-Surgical-Medical coverage will be supplementary to any other insurance or self-insurance for which the Employee or the Employee's eligible dependent(s) may be eligible and for which the Employee or Employee's dependent(s) pays no more than one-half the premium. Benefits will be reduced by the amount of benefits provided or available upon request under such other insurance or self-insured coverages available to the Employee from any other source, including coverage as a dependent.

Section 5. GIS Income Benefit Offsets

(a) The GIS Income Benefit described in Section 4(a) is reduced by gross income or payments that an Employee receives or is eligible to receive from the following sources:

(1) Statutory Benefits, except Social Security Old Age or Disability Benefit,

(2) Eighty percent of Income from Other Sources (except disability, termination and supplemental unemployment benefit pay will be offset at 100%).

In determining the amount by which GIS Income Benefits are reduced, the weekly equivalent of benefits paid on a monthly basis is computed by dividing the monthly benefit amount by 4.33.

(b) In addition, an Employee's outstanding debts to the Company or trustees of any Company benefit plan or program, and an Employee's unrepaid overpayments under the SUB Plan shall be offset against GIS Income Benefits. The amount of GIS Income Benefits that are offset by SUB overpayments or outstanding debts to the Company or trustees of any Company plan or program, shall be paid by the Trustee to the Company or trustee of the SUB Plan Fund or other Company plan or program, as applicable.

(c) For an Employee, whose GIS Income Benefit was suspended by reason of Section 8(a)(2), the Weekly earnings offset, for computing the reinstated GIS Income Benefit during any subsequent employment, will be the larger of the average Weekly Income from Other Sources received by the Employee for the last four Weeks of Employment from

(1) the employer from whom the Employee terminated, which caused the suspension as described in Section 8(a)(2), or

(2) any subsequent employer.

Section 6. Redemption Payment

An Employee otherwise eligible for GIS Benefits may elect at Company option to receive a Redemption Payment in lieu of future GIS Benefits, except that the Company shall pay the Redemption Payment to an Employee electing Separation Payment under the SUB

Plan who shall be deemed irrevocably to have elected such Redemption Payment.

(a) *Eligibility*

An Employee shall be eligible for a Redemption Payment if the Employee:

(1) is otherwise eligible for GIS Benefits,

(2) makes, within 60 months of the commencement of layoff from the Company, proper application, as determined by the Company, for such Redemption Payment, and

(3) is at the time of application either working for a subsequent employer or meets the definition of able and available for work, utilized by the applicable Public Employment Service, for purposes of the receipt of a State System Benefit and meets the eligibility requirements, other than minimum number of qualifying weeks, for such State System Benefits even though the Employee may have exhausted such Benefits, or is participating in a jointly approved vocational training program. If the Employee has exhausted State System Benefits, any reporting requirements associated with State System Benefit eligibility will not apply under this paragraph.

(b) *Payment*

(1) A Redemption Payment shall be in a lump sum.

(2) Subject to the Maximum Company Liability Amount defined in Section 15(d), the Redemption Payment will be payable in an amount equal to $5,000 reduced by GIS Benefits received or provided prior to the date of approval of the application for the Redemption Payment by the Company.

(3) The amount of an Employee's Redemption Payment, as specified in (2) above, shall be reduced by any outstanding overpayment to the SUB Plan and any other debts to the Company or trustees of any Company benefit plan or program including overpayments under the GIS Program. The amount of the reduction of the Redemption Payment because of SUB Plan overpayments or outstanding debts to the Company or trustees of any Company plan or program, shall be paid by the Trustee to the Company trustee of the SUB Plan Fund, or other Company plan or program, as applicable.

(c) *Effect of Redemption Payment on GIS Benefits*

An Employee who is issued and accepts or must accept a Redemption Payment will permanently cease to be eligible for GIS Benefits during the layoff that qualified the Employee for the Redemption Payment and for any GIS Benefits, that the Employee would otherwise be eligible for, which may occur because of future layoffs from the Company, unless the Employee returns to Work and thereafter Works 15 years and thereby becomes eligible for any future GIS Benefits that may be available.

(d) *Effect of Redemption Payment on Seniority*

An Employee's Seniority rights under the Collective Bargaining Agreement and any credited service under the Retirement Plan will not be affected by the application for or receipt of a Redemption Payment except that (i) the Employee shall forfeit all Years of Seniority if such Employee also receives a Separation Payment under the SUB Plan, and (ii) an Employee who accepts a Redemption Payment shall not be eligible to receive a special early retirement under any Company retirement plan, and shall not be permitted to retire under any Company retirement plan, during the Allocation Period as defined herein. A Redemption

(f) Failure of an Employee to Report on a Timely Basis, the following information to the extent the information would offset GIS Benefits:

(1) Income from Other Sources;

(2) Statutory Benefits;

(3) Insurance Coverage from Other Sources;

(4) changes in employment status,

(g) Refusal of an Employee, otherwise eligible for GIS Benefits, to apply for a Statutory Benefit that would or could offset GIS Benefits following a request by the Company to apply for such benefit,

(h) Failure of an Employee to file an application for Company employment in accordance with the Employment Application Procedure and any pertinent letter(s) attached to the Collective Bargaining Agreement in accordance with the application procedure established pursuant to the provisions of the letter(s).

Section 8. Suspension of GIS Benefits

(a) An Employee's eligibility for GIS Benefits will be suspended (even though the Employee may not have applied for or yet become eligible to receive GIS Benefits for any Week) if during a qualifying layoff, the Employee with respect to potential or actual employment other than with the Company:

(1) Refuses or fails to appear for an employment interview (unless for Good Cause), or refuses to accept an offer of Suitable Employment when such interview or employment offer has been arranged for or identified by the Company, Agent of the Company or Public Employment Service; provided, however, that if the Employee is then working, the new employment if obtained could reasonably be expected to result in pay

of more than 120% of the Employee's existing average Weekly Income from Other Sources for the last four Weeks of the Employee's present employment, but an Employee shall not be affected by any such refusal or failure hereunder where the application of the offset provisions of Section 5 results in a zero GIS Income Benefit at the Employee's present employment;

(2) Terminates Suitable Employment, which began at any time following the qualifying layoff, when such employment had been arranged for or identified by the Company, Agent of the Company or Public Employment Service, by reason of quit, discharge, retirement, or for any other reason over which the Employee had some degree of control;

(3) Ceases to work or terminates employment for any reason before working thirteen consecutive Weeks as a regular Full-Time employee, for any employer, subsequent to suspension of GIS Benefits under subsections 8(a)(1) or 8(a)(2) immediately above, when such subsequent employment resulted in the reinstatement of suspended GIS Benefits under subsection (c) below. For purposes of this subsection 8(a)(3), self-employment will not be considered as meeting the 13 consecutive Week actual employment requirement. Where employment temporarily ceases because of a period of strike or disability, such period shall not be counted but shall not break the otherwise consecutive Weeks of actual employment; or

(4) Ceases to work by reason of strike or personal leave of absence of a Week or more.

(b) An Employee's eligibility for GIS Income Benefits will be suspended if the Employee becomes unavailable for work due to any illness, injury or disability (except during the period an Employee is eligible for a GIS Income Benefit while wholly and continuously disabled). GIS Income Benefits will be

resumed when the Employee returns to or begins to work with a subsequent employer or meets the definition of able and available for work utilized by the Public Employment Service for purposes of the receipt of a State System Benefit and meets the eligibility requirements other than the minimum number of qualifying weeks for such State System Benefit for such Week even though the Employee may have exhausted such benefits; provided, however, that GIS Health Care and Life Insurance Coverages will be continued for Employees whose GIS Income Benefits are suspended because of illness, injury or disability. If the Employee has exhausted State System Benefits, any reporting requirements associated with State System Benefit eligibility will not apply under this paragraph.

(c) For suspensions of GIS Benefits resulting from conditions described in subsection 8(a) of this Section, all GIS Benefits will be suspended until the Employee obtains Full-Time employment (self-employment or employment without a fixed wage, such as on a commission basis, from which the Employee earns less than 75% of the average Weekly Income from Other Sources for the last four weeks of employment, will not be considered as Full-Time employment for purposes of this subsection 8(c)) and receives therefrom earnings which constitute Income from Other Sources. During the period of any such suspension of GIS Benefits, the Employee can continue GIS Health Care and Life Insurance Coverages by paying the full cost of such coverage as arranged by the Company with the Carriers or Plans.

Section 9. Benefit Overpayments

(a) If the Company determines that any benefit paid under the GIS Program should not have been paid or should have been paid in a lesser amount, written notice thereof shall be mailed to the Employee receiving

such benefit and the Employee shall return the amount of overpayment to the Trustee; provided, however, that no such repayment shall be required if the cumulative overpayment is $3 or less, or if notice has not been given within one year from the date the overpayment was established and the overpayment was caused solely by Company error.

(b) If the Employee shall fail, within 30 calendar days following receipt or attempted delivery of notice of such overpayment (such notice will be by certified mail, return receipt requested, to the Employee's last known address of record under the GIS Program), to return the overpayment to the Trustee, the Employee's future GIS Benefits will be reduced by such GIS Benefit overpayment; provided, however, that the Company shall include in such overpayment notice a statement that eligibility for GIS Benefits will be so reduced. If no GIS Income Benefit is payable and repayment is not made within 90 days after such notice, GIS Health Care and Life Insurance Coverages will be suspended until the earlier of repayment or a GIS Income Benefit becomes payable. The Company shall have the right to make or arrange to have made deductions for such overpayments from any present or future amounts which are or become payable by the Company to such Employee.

The Company, or the Trustee at the direction of the Company, shall make an appropriate deduction or deductions from any future benefit payments payable to the Employee under this Program for the purpose of recovering overpayments made to the Employee under any General Motors employee benefit plan. Amounts so deducted shall be remitted by the Company or Trustee to the applicable benefit plan. The Company or Trustee, as applicable, by such remittance, shall be relieved of any further liability with respect to such payments.

Section 10. Withholding Tax

The Trustee or the Company shall deduct from the amount of any payment under the GIS Program any amount required to be withheld by the Trustee or the Company by reason of any law or regulation, for payment of taxes or otherwise, to any federal, state or municipal government. In determining the amount of any applicable tax entailing personal exemptions, the Trustee or the Company shall be entitled to rely on the official form filed by the Employee with the Company for purposes of income tax withholding.

Section 11. Powers and Authority of the Company

(a) *Company Powers*

The Company shall have such powers and authority as are necessary and appropriate in order to carry out its duties under the GIS Program, including, without limitation, the power to:

(1) obtain such information as it shall deem necessary to carry out its duties under the Program;

(2) investigate the correctness and validity of information furnished with respect to an application for a GIS Benefit;

(3) make initial determinations with respect to GIS Benefits;

(4) establish reasonable rules, regulations and procedures concerning:

(i) the manner in which and the times and places at which applications shall be filed for GIS Benefits,

(ii) the form, content and substantiation of applications for GIS Benefits,

(iii) the allocation of Statutory Benefits and Income from Other Sources that are not directly attributable to specific Weeks for purposes of determining GIS Benefits;

(5) determine the amount of Company funds that have been expended under the GIS Program to ensure that the Maximum Company Liability Amount, as defined under Section 15(d), will not be exceeded;

(6) establish appropriate procedures for giving notices required to be given under the Program;

(7) establish and maintain necessary records;

(8) furnish the Union an annual report for each calendar year as to Company expenditures counted against the Maximum Company Liability Amount; and

(9) prepare and distribute information explaining the Program.

(b) *Company Authority*

Nothing contained in the GIS Program shall be deemed to qualify, limit or alter in any manner the Company's sole and complete authority and discretion to establish, regulate, determine or modify at any time levels of employment, hours of work, the extent of hiring and layoff, production schedules, manufacturing methods, the products and parts thereof to be manufactured, where and when work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if the Program were not in existence; nor shall it be deemed to confer upon the Union any voice in such matters.

(4) the Employee has applied for and received (or is eligible to receive) any statutory relocation, moving or similar payment or allowance payable under any applicable law, rule or regulation; and

(5) the Employee is not eligible to receive a Relocation Allowance or similar payment for the same relocation under the Collective Bargaining Agreement or under any other plan or program of the Company;

provided, however, that only one Relocation Allowance will be payable in situations where more than one member of a family living in the same residence, is also an Employee being relocated to the same Company Facility.

(c) *Notice of Denial*

If the Company determines that an Employee is not entitled to GIS Benefits or to a Relocation Allowance, it shall notify the Employee promptly, in writing, of such determination, including the reasons therefor, and of the Employee's right to appeal.

Section 15. GIS Program Financial Provisions and Liability

(a) *Establishment of Fund*

The Company shall establish and maintain a Fund, in accordance with this Program, with a qualified bank or banks or a qualified trust company or companies selected by the Company as Trustee. The Company's contributions shall be made into the Fund. All GIS Income Benefits and Redemption Payments shall be payable only from the Fund. Payments also may be made from the Fund to provide for GIS Health Care and Life Insurance Coverages or any other benefit, payment, allowance, taxes or expenses in connection with an Employee's entitlement under the provisions of this Program, if at any time there is an insufficient balance

remaining under the Maximum Company Liability Amount to cover such items except for the balance then remaining in the trust Fund. The Company shall provide in the trust agreement that the assets of the Fund shall be held in cash or invested only in:

(1) general obligations of the United States Government and obligations of any agency or instrumentality of the United States Government or of any United States Government-sponsored private corporation; or obligations of any other organization which are backed by the full faith and credit of, or are a contractual obligation of, the United States (United States Government Agency obligations); and/or

(2) prime quality short-term obligations such as commercial paper, bankers acceptances, certificates of deposit, or similar investments, and/or

(3) a common, collective or commingled investment fund, or mutual fund, consisting of any combination of the investments under (1) and (2) above;

irrespective of the rate of return thereon, and without any absolute or relative limit upon the amount that may be invested. The Trustee shall not be liable for the making or retaining of any such investment or for realized or unrealized loss thereon whether from normal or abnormal economic conditions or otherwise.

(b) *Company Contributions*

(1) The Company shall make periodic contributions to the trust Fund to maintain the trust Fund at a level sufficient to pay GIS Benefits then due and payable.

(2) Any contributions made to the Fund under (b)(1) above are subject to, and limited by, in the aggregate, the Maximum Company Liability Amount as defined under subsection 15(d) of this Section.

(3) If the Company at any time shall be required to withhold any amount from any contribution to the Fund on behalf of GIS Income Benefits or Redemption Payments by reason of any federal, state or local law or regulation, the Company shall have the right to charge such amount against the amount of the Maximum Company Liability Amount as defined under subsection 15(d) of this Section.

(c) *Benefit Drafts Not Presented*

If a payment is made under the Program and the amount of the payment is not claimed within a period of 2 years from the date such payment was made, the amount shall revert to the trust Fund.

(d) *Liability*

(1) The GIS Program applies only to eligible Employees laid off on or after March 1, 1982 and during the terms of the 1982 through 2003 Collective Bargaining Agreements, inclusive. The Company's total financial liability for the cost of the GIS Program, including Company contributions to the trust Fund for the payment of GIS Income Benefits (including amounts paid by the Trustee to the trustee of the SUB Plan Fund and amounts owed to the Company or trustees of other Company plans or programs, as applicable, which were offset against the GIS Income Benefit under Section 5), Redemption Payments, GIS Health Care and Life Insurance Coverage, any taxes or contributions imposed on the Company by reason of paying GIS Benefits, any Relocation Allowance or interview expenses provided in conjunction with the GIS Program, and any taxes which reduce GIS Benefits and are paid to the appropriate tax authority by the Company, shall be limited to the Maximum Company Liability Amount.

(2) If it appears the Maximum Company Liability Amount will be reached before all Employees

cease eligibility for GIS Benefits, the issue may be discussed by the Company and Union and a determination made whether to reduce the amount of GIS Benefits to provide for an equitable means for distribution of the Company's remaining obligations.

Section 16. Nonalienation of Benefits

Except as otherwise provided under subsections 5(b), 6(b)(3) and Section 9 of this Program, no GIS Benefit or Redemption Payment shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind, and any attempt to accomplish the same shall be void. In the event that the Company shall find that such an attempt has been made with respect to any such GIS Benefit or Redemption Payment due or to become due to any Employee, the Company in its sole discretion may terminate the interest of such Employee in such GIS Benefit or Redemption Payment and apply the amount of such GIS Benefit or Redemption Payment to or for the benefit of (1) such Employee, or (2) the spouse, parents, children or other relatives or dependents of the Employee, as the Company may determine, and any such application shall be a complete discharge of all liability with respect to such GIS Benefit or Redemption Payment.

Section 17. Miscellaneous

(a) GIS Benefits shall be payable hereunder only to the Employee who is eligible therefor, except that if the Company shall find that such an Employee is deceased and has not received all GIS Benefits payable prior to termination by death or is unable to manage such Employee's personal affairs for any reason, any such GIS Benefit payable shall be paid to the Employee's duly appointed legal representative, if there be one, and if not, to the spouse, parents, children or other relatives or dependents of such Employee as the

Company in its discretion may determine. Any GIS Benefit so paid shall be a complete discharge of any liability with respect to such GIS Benefits. In the case of death, no GIS Benefit shall be payable with respect to any period following the Employee's death.

(b) An Employee's GIS Benefits will not be suspended or terminated nor will the Employee be deemed ineligible for GIS Benefits for refusal of, or failure to appear for, an employment interview, or refusal to accept employment where such employment, at the time of such refusal or failure, would have been in a bargaining unit at a location at which a strike, lockout or other labor dispute is or was in progress and the Employee would not have been disqualified under state law for State System Benefits by such action.

Section 18. Amendment and Termination of the GIS Program

So long as the Exhibit E, 2003 Supplemental Agreement (Guaranteed Income Stream Benefit Program) shall remain in effect and subject to Section 15(d), the Program shall not be amended, modified, suspended, or terminated, except as may be proper or permissible under the terms of the Program or such Agreement.

Upon the termination of such Exhibit E, 2003 Supplemental Agreement, the Company shall have the right to continue the Program in effect and to modify, amend, suspend, or terminate the Program, except as may be otherwise provided in any subsequent agreement between the Company and the Union, and except that the Program shall continue for eligible Employees laid off during the 1982 through 2003 Collective Bargaining Agreements, inclusive and eligible for a benefit hereunder, subject to Section 15(d), with any Fund assets remaining after the expiration of any benefit entitlement for such eligible Employees laid off during the 1982 through 2003 Collective Bargaining

Agreements, inclusive, being subject to negotiation by the parties for orderly disposition of such assets for Employee Benefits not inconsistent with the purposes of the Program.

Section 19. Definitions

As used herein:

A. *"Act of God"* under the GIS Program shall have the same meaning as it has for a qualifying layoff under the SUB Plan.

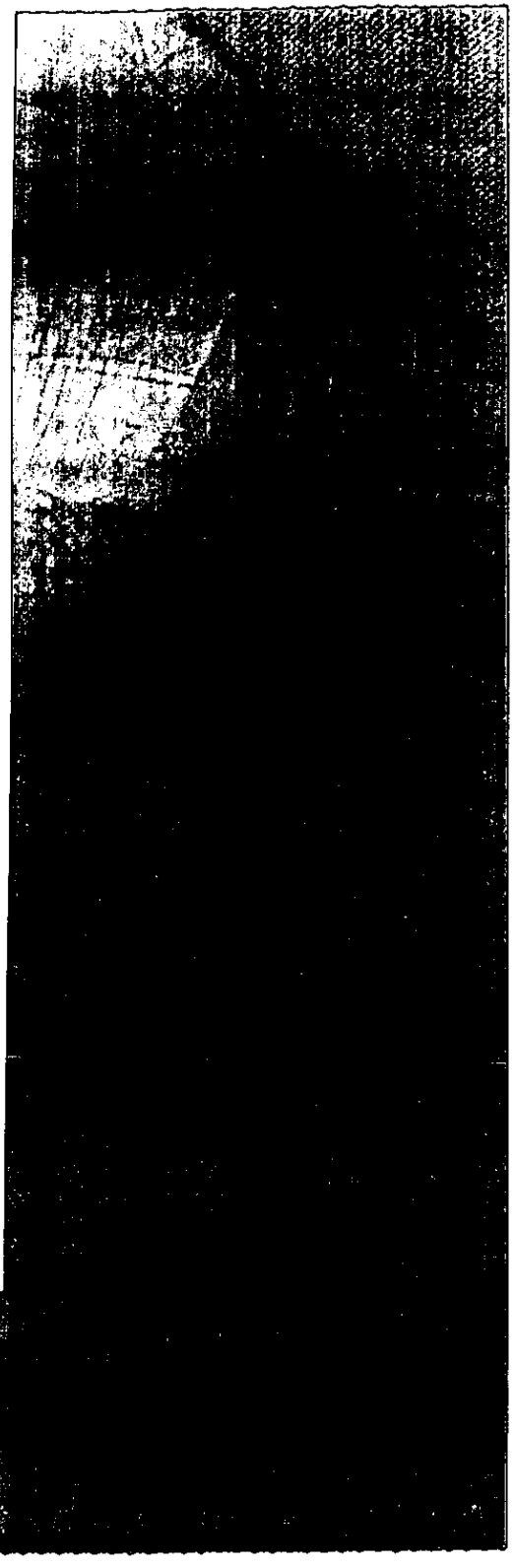
B. *"Agent of the Company"* means an organization or business, whether incorporated or not, which acts on the Company's behalf in locating or attempting to locate employment opportunities for laid off Employees.

C. *"Bargaining Unit"* means a unit of Employees covered by the Collective Bargaining Agreement.

D. *"Base Hourly Rate"* means the straight-time hourly rate, including cost-of-living allowance, but excluding all other premiums and bonuses of any kind, of an Employee on the last day at Work in the Bargaining Unit prior to layoff, except that if the Employee:

(1) was paid at a higher straight-time hourly rate in 1 or more specified Bargaining Units at any time during the 13 consecutive Weeks ending with the Week which includes the Employee's last day worked (hereinafter referred to as the 13 Week Period), Base Hourly Rate shall be such higher rate, or

(2) Worked on incentive or piecework in at least four (4) Weeks in 1 or more specified Bargaining Units during the 13 Week Period, Base Hourly Rate shall be the Employee's average earned hourly rate for the last four (4) Weeks in which the Employee Worked in the



Bargaining Unit(s) and for which the Employee had any incentive earnings or, if higher, the Employee's average earned hourly rate for the first four (4) Weeks Worked in the Bargaining Unit(s) and for which the Employee had any incentive earnings during the 13 Week Period; provided, however, that if it is established that during the 13 Week Period the Employee Worked in less than four (4) Weeks but during each such Week Worked the Employee Worked on incentive or piecework, the Employee's Base Hourly Rate shall be such Employee's average earned hourly rate for such Weeks. Such average earned hourly rate shall be computed by dividing the Employee's total straight-time hourly earnings (including cost-of-living allowance but excluding any premiums or bonuses of any kind) for all hours Worked during the applicable four (4) Weeks by the total number of straight-time hours Worked during such Weeks.

With respect to Employees permanently laid off on or after November 2, 1987 in Plant Closing situations, the applicable "13 Week Period" will be lengthened to a "52 Week Period" (52 consecutive Pay Periods ending with the Pay Period which includes the Employee's last day worked);

E. *"Collective Bargaining Agreement"* means the currently effective collective bargaining agreement between the Company and the Union which incorporates this Program by reference. 2003 Collective Bargaining Agreement means the collective bargaining agreement dated September 18, 2003, between the Company and the Union.

F. *"Company" or "Corporation"* means General Motors Corporation.

G. *"Effective Date"* means October 13, 2003.

H. *"Employee"* means a Full-Time, hourly-rate

employee in a Bargaining Unit covered by the Program, including such a person laid-off from Company employment in such a Bargaining Unit and who is eligible for GIS Benefits except that an "Employee at Work" means a Full-Time, hourly-rate employee in such a Bargaining Unit who receives pay for regular hours scheduled by the Company and Worked within such a Bargaining Unit on or after the Effective Date.

The term "Employee" shall not include contract employees, bundled services employees, consultants, or other similarly situated individuals, or individuals who have represented themselves to be independent contractors.

The following classes of individuals are ineligible to participant in the Plan, regardless of any other Plan terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation.

(1) Any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled-services employees";

(2) Any individual who has signed an independent contractor agreement, consulting agreement, or other similar personal service contract with the Corporation;

(3) Any individual who both (a) is not included in any represented bargaining unit and (b) who the Corporation classifies as an independent contractor, consultant, contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded from the payroll, and regardless of whether that exclusion is correct.

I. *"Employment Application Procedure"* means any procedure by which an Employee must file an application for employment with the Company under Paragraph (95) and Paragraph (96) of the Collective Bargaining Agreement during the application period established for any such employment opportunity; provided, however, that an Employee will not be required to file an application for employment opportunities occurring under Paragraph (95) in the Employee's Appendix A-Area Hire area within such Employee's first 4 full Weeks of layoff unless the application period established for such employment opportunity ends before the Employee's 4th full Week of layoff.

J. *"Facility"* shall be deemed to include any manufacturing or assembly plant, works, parts depot, or other Company activity or location in or out of which an Employee Works.

K. *"Full-Time"* means at least 32 hours in a Week.

L. *"Fund"* means a trust fund established under the Program to receive and invest Company contributions and to pay primarily GIS Income Benefits and Redemption Payments.

M. *"GIS Benefit"* means a GIS Income Benefit and GIS Health Care and Life Insurance Coverages, provided to an eligible Employee under the provisions of this GIS Program.

N. *"GIS Income Benefit"* means the income benefit payable to an eligible Employee under subsection 4(a) of the Program which is subject to offset in accordance with the provisions of Section 5.

O. *"GIS Health Care and Life Insurance Coverages"* means Hospital-Surgical-Medical coverage and Life Insurance coverage provided to eligible Employees under the GIS Program as defined in subsection 4(b) of the Program.

P. *"GIS Program"* or *"Program"* means the Guaranteed Income Stream Benefit Program as set forth in this Exhibit E-1.

Q. *"Good Cause"* for refusing to interview or failing to appear for an interview, or failing to file a timely application under the Employment Application Procedure, is deemed to exist if there is a justifiable reason, determined in accordance with a standard of conduct expected of an individual acting as a reasonable person in light of all the circumstances. Justifiable reasons include, but are not limited to, the following:

(1) Acts of God that prevent an individual from getting to an interview;

(2) Personal physical incapacity (during which the Employee's GIS Benefits will be suspended);

(3) Death occurring in the Employee's immediate family which would have otherwise been covered as bereavement time under the Collective Bargaining Agreement if the Employee were at Work in the Bargaining Unit; and

(4) Jury duty.

R. *"Hospital-Surgical-Medical"* for an Employee whose layoff commenced prior to October 25, 1999, means Traditional Option hospital-surgical-medical

benefits coverages as specified in the Health Care Program. Coverage shall not include Drug, Dental, Vision or Hearing Aid coverage. *"Hospital-Surgical-Medical"* for an Employee whose layoff commenced on or after October 25, 1999, means hospital-surgical-medical-prescription drug-vision-hearing aid coverage as specified in the Health Care Program for hourly employees dated September 18, 2003. Coverage shall not include Dental coverage.

S. *"Income from Other Sources"* means any income by reason of or related to any employment (for example, wages, tips, commission, bonuses, vacation pay, disability pay, supplemental unemployment compensation pay, termination pay, value of employer provided meals, board, transportation or housing) of the Employee. If an Employee is absent for any reason, other than at the direction of the Employee's employer, except for disciplinary reasons, from employment with any subsequent employer but is still an employee of that employer but such absence does not suspend the Employee's GIS Benefits under Section 8, the Employee's Income from Other Sources shall include such earnings as the Employee would have received but for such absence.

T. *"Insurance"* or *"insurance"* includes hospital-surgical-medical coverages provided through such arrangements as insured plans, service plans, administrative services only plans, Health Maintenance Organizations, indemnity plans or any other such arrangements.

U. *"Insurance Coverage from Other Sources"* means hospital-surgical-medical insurance which is in effect at the time of claiming entitlement to GIS Health Care and Life Insurance Coverages and for which the Employee pays less than one-half the premium.

V. *"Life Insurance"* means Life Insurance

coverage in the amount of $16,000 for an Employee eligible for GIS Benefits.

V-1. *"Local Committee"* means the Committee established by the Board with respect to each Plant or Plants to handle Employee appeals from Company determinations.

W. *"Maximum Company Liability Amount"* means the established amount, expressed in dollars, of the Company's total financial liability for the cost of this GIS Program as defined under the provisions of Section 15(d) of this Program.

W-1. *"Plant Closing"* means the permanent discontinuance (or an indefinite long-term discontinuance without a projected date of resumption) of total production operations at a Company plant constituting a local Bargaining Unit.

X. *"Public Employment Service"* means the applicable federal, state or local agency responsible for the administration of:

(1) benefits provided under any federal, state or local laws to persons on account of their unemployment;

(2) programs to identify employment opportunities; or

(3) training or education programs that may assist an individual in qualifying for better paying employment opportunities.

Y. *"Relocation Allowance"* means an amount equal to the amount provided under the provisions of Paragraph (96a)(2), of the Collective Bargaining Agreement, less any statutory relocation, moving allowance or similar payment paid or payable under any applicable law, rule or regulation.

Z. *"Reports on a Timely Basis"* or "Report on a Timely Basis" under subsections 2(g) and 7(f), means that the Employee must fully furnish the information required to establish eligibility for and the amount of any GIS Benefits within 60 calendar days after the end of the Week with respect to which GIS Benefits are sought and with respect to any additional information requested by the Company within 60 days of such Company request, unless the Employee can demonstrate that the information was furnished at the earliest time when it could be obtained with diligence or that the failure was clearly inadvertent. Failure to report (i) any employment or offer of employment or termination of employment, (ii) the reason for termination of any employment insofar as the Employee is aware of it, (iii) earnings from any subsequent employment or any unemployment compensation and trade adjustment allowance payments, and (iv) payments to the Employee by reason of the Employee's hospital-surgical-medical insurance with any subsequent employer will not be considered inadvertent. Upon discovery that the Employee failed to furnish certain information required, clearly through inadvertence, the Employee shall promptly furnish the information.

AA. *"Retirement Plan"* means retirement, regardless of age or type, under the Pension Plan established by agreement between the Company and the Union or any other pension plan or retirement program maintained by the Company.

BB. *"Seniority"* means seniority status under terms of the Collective Bargaining Agreement as of the date of a layoff qualifying for GIS Benefits hereunder.

CC. *"State System Benefit"* means a benefit payable by a Public Employment Service including any dependency allowances and training allowances.

DD. *"Statutory Benefits"* means payments which the

Employee receives or which without a means test would be available (upon application if necessary) as a result of federal, state or local laws, regulations or statutes, including, without limitation, such income received or receivable as a State System Benefit, or benefits under the Trade Readjustment Act, the Social Security Act, veterans' benefits and retirement acts, governmental pensions, and Weekly lost-time benefits under Workers' Compensation (including weekly equivalent of a lump-sum settlement and specific allowances for partial loss of a body member, but excluding specific allowances for 100% loss of the use of or loss of a body member); provided, however, that Statutory Benefits shall not include, except in the case of amounts available upon application under the Medicaid program or programs with similar intent or purposes in the future, amounts which would be available to the Employee, but which the Employee has not received, and which require a means test in order to be eligible. The foregoing are intended to be examples only and do not limit the types of present or future Statutory Benefits which shall be offset under the GIS Program.

EE. *"SUB Plan"* means the Supplemental Unemployment Benefit Plan, Exhibit D-1 to the Collective Bargaining Agreement.

FF. *"Suitable Employment"* means any employment, regardless of wage rate or other compensation, within a 50-mile radius of the Employee's address of record for purposes of the GIS Program or of the Company Facility where the Employee last worked for the Company (provided the Employee has not relocated to a new labor market that would make impractical acceptance of an offer of employment at a non-Company location within a 50-mile radius of the prior Company Facility where the Employee last Worked), and which the Employee is capable of performing.

GG. *"Supplementation"* means recognition of the right of a person to receive both a State System Benefit and a GIS Income Benefit under the Program for the same Week of layoff at approximately the same time and without reduction of the State System Benefit because of the payment of a GIS Income Benefit under the Program.

HH. *"Trustee"* means the trustee or trustees of the Fund established under the Program.

II. *"Union"* means International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW.

JJ. *"Week"*, when used in connection with eligibility for and computation of GIS Benefits with respect to an Employee, means a period of layoff equivalent to a Work Week. "Work Week" or "Pay Period" means 7 consecutive days beginning on Monday at the regular starting time of the shift to which the Employee is assigned, or was last assigned immediately prior to being laid off, or other appropriate 7 day period. If there is a difference between the starting time of a Work Week and of a week under an applicable State System, the Work Week shall be paired with the State System week which corresponds most closely thereto in time.

KK. *"Weekly After-Tax Base Earnings"* means an amount equal to an Employee's Base Hourly Rate as of the last day Worked prior to layoff, including cost-of-living allowance but excluding all other premiums and bonuses of any kind, multiplied by 40, reduced by the sum of all federal, state and municipal taxes and contributions which would be required to be collected, deducted, or withheld by the Company from Weekly Before-Tax Base Earnings paid to the Employee for the last Week the Employee Worked in the Bargaining Unit prior to layoff.

LL. *"Weekly Before-Tax Base Earnings"* means an amount equal to an Employee's Base Hourly Rate as of the last day Worked prior to layoff, including cost-of-living allowance but excluding all other premiums and bonuses of any kind, multiplied by 40.

MM. *"Work"* or *"at Work"* or *"Worked"* means receiving pay for regular hours scheduled by the Company and worked within the Bargaining Unit.

NN. *"Years (or Year) of Seniority"* means for all purposes of this Program and for those purposes only, the longest Seniority an Employee has in any Bargaining Unit except that in determining an Employee's "longest Seniority", if the Employee has Seniority (or if, while on the Active Employment Roll as defined under the SUB Plan, the Employee acquires Seniority) in a Bargaining Unit at the time such Employee's Seniority is broken in another Bargaining Unit under the time for time provisions of the Collective Bargaining Agreement or because the Employee refuses recall at such other Bargaining Unit, or if Seniority is broken in a Bargaining Unit because the Employee quits to respond to recall to another Bargaining Unit, or to accept placement as a journeyman/woman in another Bargaining Unit where the Employee has completed an apprentice training program, such lost Seniority shall be included in "Years of Seniority". "Years of Seniority" will also include any time spent in a supervisory position on or after March 1, 1977, provided that at the time of layoff the Employee had returned to work in the Bargaining Unit subsequent to such period(s) of salaried service, and worked at least six months in the Bargaining Unit before being placed on layoff.

OTHER GIS ITEMS

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

The purpose of this letter is to confirm the discussions between the parties during these negotiations as to the supplementary nature of the hospital-surgical-medical coverage (HSM Coverage) or hospital-surgical-medical-prescription drug-vision-hearing aid coverage (H-S-M-D-V-H Coverage) under Section 4(b) of the Guaranteed Income Stream Benefit Program (the GIS Program). The Company will provide the Traditional Option through United Healthcare utilizing an Administrative Services Only arrangement. If any insurer or self-insurer whose hospital-surgical-medical or H-S-M-D-V-H Coverage is intended to be supplemented denies benefits to an Employee because of the coverage available under the GIS Program, the Company will take such steps as it deems appropriate to compel the insurer or self-insurer to provide such coverage. Further, as stated in Section 5(d) of the 2003 Supplemental Agreement (Guaranteed Income Stream Benefit Program), the Program may be modified by the Company, with respect to eligible Employees in a state where other such coverage is being denied, in order to meet the intent of the parties to provide HSM or H-S-M-D-V-H Coverage on a supplementary basis.

In the interim, however, United Healthcare will reimburse the eligible Employee or the provider for payments otherwise covered by the HSM or H-S-M-D-V-H Coverages as if there were no other such coverage available to the Employee.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the 1982 negotiations, a question arose about the Company position regarding the possible use of any laid-off regular full-time Employees who may work as temporary part-time employees and who are eligible Employees under the Guaranteed Income Stream Benefit Program because they were Employees at work on or after March 1, 1982 and had 15 or more Years of Seniority on the last day worked prior to layoff from full-time employment. This is to inform you of the following:

1. Refusal of an offer of temporary part-time employment with the Company by an otherwise eligible Employee under the GIS Program will not cause the Employee to be terminated under Section 7 or have benefits suspended under Section 8 of the GIS Program.

2. Any amount which a Company temporary part-time employee would have earned but for the Employee's refusal of or absence from such part-time work (unless, of course, the Employee is employed elsewhere during such period) and 80% of any amount actually earned as a Company temporary part-time employee shall be offset under Section 5(a)(2).

Under no circumstances, will a person working as a temporary part-time employee become eligible for the GIS Program because of such work.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the 1984 negotiations, the parties discussed the impact of a GIS eligible Employee's refusal of a Company job offer (excluding the Employee's refusal of an offer which the Employee has a right to refuse under the Local Seniority Agreement(s) of the Bargaining Unit(s) in which the Employee has Seniority), hereinafter referred to as "refusal of a Company job offer", and the resulting disqualification of the Employee's layoff and termination of the Employee's GIS Benefit eligibility under the provisions of Section 3(b)(4) and Section 7(d) of the GIS Program.

The parties have agreed as follows with respect to the provisions of Section 3(b)(4) and Section 7(d) of the GIS Program:

GIS eligible Employees will have a 1 year (or, if less, to the last day of eligibility for a Regular SUB Plan benefit) immunity period following their last day Worked prior to a qualifying layoff under the Program, during which time "refusal of a Company job offer" outside the Employee's Appendix A-Area Hire area will not disqualify or terminate the Employee's layoff or GIS eligibility under the Program.

No immunity period will be provided for "refusal of a Company job offer" with respect to (1) an Employee laid off in a Plant Closing at a Company Facility not covered by Appendix A-Area Hire, or (2) a Company Facility in the same Appendix A-Area Hire area as the Facility from which the Employee is on layoff.

Laid off GIS eligible Employees who have not filed an application for "Area Hire" under the provisions of Appendix A of the Collective Bargaining Agreement shall have their names added to the "Area Hire List" by the Facility as of the Monday immediately following the end of the Employee's 4th consecutive full Week of layoff from the Company. An Employee's failure to file an application for "Area Hire" under Appendix A during the first 4 full Weeks of layoff will not be a basis for termination under the provisions of Section 7(h) of the Program.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During the course of the 1987 negotiations, the parties discussed the controversy which arises when an Employee whose eligibility for benefits under the Guaranteed Income Stream (GIS) Benefit Program is terminated and the Employee denies receiving notification of the termination action from the GIS Administrator. The parties agreed that such notification in the future will be sent by registered mail, return receipt requested.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understanding that for purposes of Section 19(H) of the GIS Program, the definition of Employee will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide on-going training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.
- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.

- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.

2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets, administrative manuals (where applicable), relevant contract provisions and appropriate process descriptions. Upon approval by the Executive Board of Joint Activities, the cost of development, hardware

and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President –
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

Statement Of Intent

Notwithstanding the provisions of Exhibit A, Section 3(c) of The General Motors Hourly-Rate Employees Pension Plan; Exhibit D, Articles V and VI of the Supplemental Unemployment Benefit Plan, and the Items Agreed to by GM-UAW SUB Board of Administration; and Exhibit E, Section 6(a) of the Guaranteed Income Stream Benefit Program, which deal with local union representatives for each of these benefit plan areas, the Corporation and the Union agree as follows:

1. ***Appointment of Benefit Representatives***

(a) Local union benefit representative(s) and alternate(s) shall be appointed or removed by the GM Department of the International Union. Management benefit representative(s) shall be appointed or removed by management.

(b) Temporary replacement appointments may be made by the local union President for a minimum of one week and a maximum of four weeks. Replacement appointments for any absence in excess of four weeks also shall be made by the GM Department of the International Union. Replacement appointments in situations when the benefit representative(s) and alternate(s) are both absent but for less than one week and are on a leave of absence pursuant to the provisions of Paragraph 109 of the GM-UAW National Agreement may be made by the local union President. Any problems that may arise under this procedure may be discussed by the Corporation with the GM Department of the International Union.

(c) A local union benefit representative shall be an employee of the Corporation having at least one year of seniority, and working at the plant where, and at the time when, such employee is to serve as such

representative or alternate. No such representative or alternate shall function until written notice has been given by the GM Department of the International Union to the Corporation. In the case of temporary appointments, the notice should be given to local Management with additional copies forwarded to the GM Department of the International Union and the Corporation.

2. Number of Local Union Benefit Representatives

(a) In plants having a total of less than 600 employees, there may be one local union benefit representative and one alternate.

(b) In plants having a total of 600 but less than 1,200 employees, there may be two local union benefit representatives and two alternates.

(c) In plants having a total of 1,200 but less than 2,000 employees, there may be three local union benefit representatives and three alternates.

(d) In plants having a total of 2,000 but less than 5,000 employees, there may be four local union benefit representatives and three alternates. If such plants have a total of 1,400 or more employees on the second and third shifts combined, there may be five local union benefit representatives and two alternates.

(e) In plants having a total of 5,000 but less than 8,000 employees, there may be five local union benefit representatives and two alternates.

(f) In plants having a total of 8,000 but less than 10,000 employees, there may be six local union benefit representatives and two alternates.

(g) In plants having a total of 10,000 or more employees, there may be seven local union benefit representatives and two alternates.

The number of employees as used herein shall include active employees, employees on sick leave of absence, and employees on temporary layoff.

3. Of the total number of local union benefit representatives and alternates otherwise available, one or more representatives and alternates may be assigned to the second shift or third shift so long as the total number of representatives and alternates set forth in Paragraph 2. above is not exceeded.

4. When plant population changes occur which would increase or decrease the number of local benefit plan representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, unless such population change results from the discontinuance or addition of a shift or the opening or closing of a plant. In the event of a cessation of operations, the Corporation, at the request of the UAW General Motors Department of the International Union, will provide for the continuance of Benefit Representation. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the GM Department of the International Union.

5. Benefit Plan districts will be established by local mutual agreement. Only one local union benefit representative will function in a benefit district and will handle specified benefit plan problems raised by employees within that district pertaining to the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, and Guaranteed Income Stream Benefit Program agreements. An alternate will be permitted to function in the absence of a local benefit plan representative on the benefit plan representative's shift.

6. Any local union benefit representative may function as the member of the Pension Committee, as the member of the local Supplemental Unemployment Benefit Committee, as a member of the Guaranteed Income Stream Benefit Committee or handle benefit problems under the Life and Disability Benefits Program and the Health Care Program with respect to employees in such representative's Benefit Plan district. An alternate may function in the absence of a local union benefit representative.

7. The time available to a local union benefit representative and alternate with respect to a Benefit Plan district may not exceed eight (8) regular working hours of available time in a day.

(a) On the local union benefit representative's regular shift and without loss of pay, a local union benefit representative(s) may accompany the management benefit representative for a mutually agreeable joint off-site visit to a local hospital, an impartial medical opinion clinic or a health maintenance organization, or other similar type joint ventures, with respect to benefit plan matters.

(b) A local union benefit representative attending a scheduled Management-Union Benefit Plan meeting on a shift other than the representative's regular shift will be paid for time spent in such meeting.

(c) One local union benefit representative attending the local union retiree chapter meeting will be paid for time spent in such meeting.

(d) The time spent in such local union retiree chapter meetings, off-site visits or Management-Union Benefit Plan meetings will not result in additional hours which exceed regularly scheduled shift hours, overtime premiums or an increase in representation time being furnished as a result of the representative(s) not working a full shift on the representative's regular shift.

8. The local union benefit representative shall be retained on the shift to which the representative was assigned when appointed as such representative regardless of seniority, provided there is a job that is operating on the representative's assigned shift which the representative is able to perform.

9. The Benefit Plans - Health and Safety office may be used by local union benefit representatives during their regular working hours:

(a) To confer with retirees, beneficiaries, and surviving spouses who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension Plan, Life and Disability Benefits Program and Health Care Program Agreements.

(b) If the matter cannot be handled appropriately in or near the employee's work area, to confer with employees who, during their regular working hours, ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(c) To confer with employees who are absent from, or not at work on, their regular shift and who ask to see a local union benefit representative with respect to legitimate benefit problems under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

(d) To write position statements and to complete necessary forms with respect to a case being appealed to the Pension, SUB, or GIS Boards by an employee in the local union benefit representative's Benefit Plan district, and to write appeals with respect to denied life, health care, and disability claims involving employees within the representative's Benefit Plan district.

(e) To file material with respect to the Pension, Life and Disability Benefits, Health Care, SUB and GIS Agreements.

(f) To make telephone calls with respect to legitimate benefit problems raised by employees under the Pension, Life and Disability Benefits, Health Care, SUB, and GIS Agreements.

10. Notwithstanding Item 7 of this Statement of Intent, during overtime hours, Local Union Benefit Representatives will be scheduled to perform in-plant benefit related activities, if they would otherwise have work available in their equalization group.

ITEMS AGREED TO BY GM-UAW GIS BOARD OF ADMINISTRATION

COVERING

2003

Guaranteed Income Stream Benefit Program

(These "Items Agreed To" are subject to change at any time by mutual agreement of the members of the GM-UAW GIS Board of Administration)

Items Agreed to by GM-UAW GIS Board of Administration

A. General

The Corporation shall provide a Board of Administration Secretary.

B. Local Committees

1. The Local Committee established at a Facility of the Company will handle appeals from determinations as provided in Section 6(b) of Exhibit E, Supplemental Agreement (GIS Benefit Program).

2. Meetings of the Local Committee established pursuant to the Program shall be arranged by mutual agreement between the Company and Union Local Committee members.

3. Written minutes of all meetings of the Local Committee, including pertinent discussion, statements of position, and information exchanged, will be prepared and approved promptly by the parties.

4. The Union member of the Local Committee shall, after reporting to such member's supervisor, be granted permission to leave work during regular working hours without loss of pay:

(a) to attend meetings of the Local Committee including sufficient time during such meeting to write the Union's position with respect to any appeals which are to be filed with the Board of Administration,

(b) to meet with an active Employee (or with a laid-off Employee, retiree, survivor, beneficiary, or other person reporting to the Plant) who requests the Union representative's presence in order to give the Union member of the Local Committee necessary information with respect to a problem concerning the payment,

denial, or appeal of a GIS Benefit or Redemption Payment,

(c) to discuss with an Employee any change in the status of the Employee's appeal.

5. Consistent with the purpose of Section B.4. of these "Items Agreed To", a rule of reason should be applied in determining whether an Employee should be excused from the job in order to confer with the Union member of the Local Committee concerning a GIS problem. A rule of reason should likewise be applied when, due to production difficulties, excessive absenteeism, or other emergencies, it will not be possible to immediately relieve the Employee from the job. On many jobs, discussion between the Employee and the Union member of the local committee is entirely practical without the necessity of the Employee being relieved. On the other hand, an Employee working on a moving conveyor, in an excessively noisy area, or climbing in and out of bodies, should be permitted a reasonable period of time off the job and a suitable place in which to discuss such problem with the Union member of the local committee. A suitable place in which to discuss such problem also should be permitted a laid-off Employee, a retiree, or other person reporting to the Plant. This shall not interfere with any local practice which is mutually satisfactory.

6. Where the Local Committee has agreed to use the Mass Appeal Procedure (Item E hereunder), the Union member of the Local Committee will be permitted time to prepare necessary Employee notices concerning the mass appeal procedures, and to arrange with the president of the Local Union or the Chairperson of the Shop Committee for the posting or mailing of such notices.

C. Appeal Procedure

1. ***First Stage Appeals***

(a) Any Employee (or beneficiary, if applicable) who disputes a written determination by the Company with respect to the payment or denial of a GIS Benefit or a Redemption Payment, may file an appeal to the Local Committee as provided in the Program on Form GM GIS-6.

(b) A first stage appeal to the Local Committee shall be deemed to have been filed with the designated Company representative when it is received by the GIS Administrator.

(c) In all cases where the Employee (or beneficiary) has filed an appeal on Form GM GIS-6, the GIS Administrator will attach copies of pertinent available information and documents and promptly forward such appeal file to the Local Committee involved. The Local Committee shall review the claim as provided in the Program. If the appeal is denied or not resolved by the Local Committee, the Employee (or beneficiary) shall be so advised on Form GM GIS-7, 7A, or 7B, whichever is applicable.

2. ***Appeals to the Board***

(a) An appeal not resolved by the Local Committee may be appealed to the Board as provided in the Program and shall be filed on Form GM GIS-8 (if by the Local Committee) or on Form GM GIS-8A (if by the Employee or beneficiary).

(b) If a Local Committee is no longer established due to the discontinuance of a Plant, an Employee (or beneficiary) may file the first-stage appeal directly to the Board on Form GM GIS-6. Such appeal shall be considered filed with the Board when filed with the GIS Administrator.

(c) Statements accompanying appeals to the Board as a part of the case file, shall be submitted either jointly or separately by the Union and Company members of the Local Committee; provided, however, that any such separate statements shall first be exchanged and reviewed by the Local Committee (including any additional rebuttal statements as desired by either party) prior to inclusion in the appeal file for submission to the Board.

(d) All appeal files submitted to the Board shall include a joint statement by the Management and Union members of the Local Committee setting forth the pertinent facts and circumstances involved, as agreed to by the parties.

(e) The entire content of any appeal file appealed to the Board shall be reviewed by the Local Committee prior to submission to the Board. Both Local Committee members shall sign a joint appeal transmittal to the Board.

(f) The designated Company representative receiving the appeal to the Board shall promptly transmit the case file, in duplicate, to the Board; one copy of the complete file being mailed to General Motors Corporation and one copy to the International Union, UAW, at the respective addresses shown on the form.

(g) Upon receipt at the Board, all appeal files will be reviewed initially for Local Committee compliance with the foregoing procedures. If the Local Committee has failed to comply with such procedures, or if the appeal file is incomplete, the appeal file shall be returned to the Local Committee with directions to make the file complete in accordance with such procedures. The docketed appeal shall be stricken from the Board's docket. When the appeal file is again presented to the Board, the appeal covered by such file shall be redocketed.

(h) The Employee, the Local Committee, or the Union members of the Board may withdraw any appeal to the Board at any time before it is determined by the Board, on Form GM GIS-8B provided for that purpose. Copies of such completed form shall be given to the Employee (or beneficiary), to the Management and the Union member of the Local Committee (if completed by Union members of the Board) and to the Board (if the appeal was previously referred to the Board).

(i) The Local Committee shall be advised in writing by the Board on Form GM GIS-9 of the disposition of any appeal previously considered by the Local Committee and referred to the Board. The Local Committee shall forward a copy of such Form GM GIS-9 to the Employee (or beneficiary) who initiated the appeal. In the absence of a Local Committee, a copy of the form GM-GIS-9 will be forwarded directly to the Employee (or beneficiary) by the Board.

D. Time Limits for Appeals

The 70-day time limit for an Employee (or beneficiary) filing a first stage appeal directly to the Board (in the absence of an established Local Committee) shall begin on the day following the date of mailing of the Company's written determination. If the appeal is mailed, the date of filing shall be the postmark date of the appeal.

E. Mass Appeal Situations

The following special appeal procedure will apply in situations, as identified and agreed upon by the Local Committee, involving large numbers of Employees with respect to each of whom the pertinent facts and appeal issues are identical. This special appeal procedure shall apply only with respect to Employees who either have applied for and were denied a GIS Benefit or Redemption Payment, or were paid a GIS Benefit or

Redemption Payment and believe that they were entitled to such payment in a greater amount.

When an Employee dispute exists with respect to a Company determination concerning eligibility for or the amount of a GIS Benefit or Redemption Payment, the Local GIS Committee shall select a representative Employee case as a test case for the specific issue(s) in dispute. The test case shall be processed in accordance with, and subject to, the regular appeal procedures. The Employee selected for test case purposes shall file a Form GM GIS-6 in accordance with the procedures governing a first stage appeal. The name of each Employee to be identified with the test case, together with the Week(s) or period(s) involved, shall be made a matter of record and attached to the test case appeal file in a manner mutually satisfactory to the members of the Local GIS Committee. The required appeal forms will be completed with respect to the Employee test case only, but the Local GIS Committee and/or Board determination with respect to the test case, shall be equally binding with respect to all the Employee cases identified as a matter of record with the test case.

F. Appeal Forms

1. The GIS forms attached hereto have been adopted by the Board. They are identified as GM GIS-6, 7, 7A, 7B, 8, 8A, 8B, and 9.

2. Management will furnish a small supply of GIS appeal forms to the Union member of each Local GIS Committee upon request of such members. Such forms will be used by the Union member of the Local Committee only to comply with requests from individual Employees (or beneficiaries). All forms will continue to be obtained routinely from the plant Personnel Office (GIS Administrator in closed Plant situations) and submitted to the GIS Administrator.

G. GIS Health Care and Life Insurance Coverages Eligibility

For purposes of implementing the GIS Health Care and Life Insurance Coverages provided under the GIS Benefit Program, the parties agree to the following.

An Employee at work on or after March 1, 1982 and placed on a GIS qualifying layoff during the terms of the 1982 through 2003 Collective Bargaining Agreements, inclusive, and who is otherwise eligible as set forth under Section 2 of the GIS Benefit Program (Exhibit E-1), shall be eligible for GIS Health Care and Life Insurance Coverages from the effective date of the Employee's layoff until the last day of the month in which the Employee's eligibility is terminated or suspended as set forth under Sections 7 and 8, respectively, of the Program; provided, however, that:

1. The Employee will not have GIS Health Care and Life Insurance Coverages in force during any period that coverages provided under Exhibit B, Supplemental Agreement (Life and Disability Benefits Program) and Exhibit C, Supplemental Agreement (Health Care Program), are in force and are being paid for by the Company.

2. The Employee, if otherwise eligible, will have GIS Health Care and Life Insurance Coverages in force during any period that coverages provided under Exhibit B and Exhibit C are in force and are being paid for by the Employee.

3. If an Employee returns to work for the Company with GIS Health Care and Life Insurance Coverages in force and is not eligible immediately for coverages provided under Exhibit B and Exhibit C, GIS Health Care and Life Insurance Coverages will be continued until the Employee becomes eligible for coverages provided under Exhibit B and Exhibit C

provided the Employee makes the required contributions for such GIS Health Care and Life Insurance Coverages.

4. (a) The Company shall determine eligibility for GIS Health Care and Life Insurance Coverages at the time of claim. Where the Company determines that an Employee is not eligible for GIS Benefits, a statement of denial is to be issued by the Company to the Employee (or beneficiary, as applicable).

(b) The Carrier(s) or Plan(s) shall determine whether a claim, or any portion thereof, is payable. Where the Carrier(s) or Plan(s) determine that a claim, or portion thereof, is not payable, a statement of claim denial is to be issued by the Carrier to the Employee or beneficiary, as applicable.

(c) An Employee (or beneficiary, if applicable) who disputes a written determination by the Company with respect to eligibility for GIS Health Care and Life Insurance Coverages, may file a "First Stage Appeal" (form GM GIS-6) from such determination as provided in the Program.

(d) A written determination by the Carrier(s) or Plan(s) with respect to whether a claim, or any portion thereof, is payable, is not subject to the Program appeal procedures. However, an Employee (or beneficiary) may appeal such determination under the procedure for review of denied claims as established by the Company and agreed to by the parties, under Exhibit B and Exhibit C.

5. Treatment of eligibility for GIS Health Care and Life Insurance Coverages during any period of GIS Benefit suspension or following notice of overpayment of GIS Income Benefits:

(a) GIS Health Care and Life Insurance Coverages will be suspended as of the last day of a

month if an Employee's eligibility for GIS Benefits is suspended during the month for any of the reasons set forth under Section 8(a) of the GIS Program.

Thereafter, during the period of such suspension the Employee can continue GIS Health Care and Life Insurance Coverages by paying the full monthly cost of such coverage as arranged by the Company with the Carrier(s) or Plan(s).

Failure to make such contribution will result in loss of GIS Health Care and Life Insurance Coverages as of the last day of the month for which contributions were made until the first day of the month next following the month in which the Employee again qualifies for GIS Benefits as set forth under Section 8(c) of the GIS Program.

(b) If GIS Income Benefits are suspended because an Employee becomes unavailable for work due to any illness, injury or disability (when the Employee is not eligible for a GIS Income Benefit by reason of disability) GIS Health Care and Life Insurance Coverages will be continued without cost to the Employee.

(c) If GIS Income Benefits have been overpaid and no such Benefits are payable and repayment is not made within 90 days of date of Notice to the Employee, GIS Health Care and Life Insurance Coverages will be suspended at the end of the month in which the 90th day occurs and will remain suspended until the first day of the month following the earlier of the date of full repayment or the date a GIS Income Benefit becomes payable.

H. Non Duplication of Benefits

It is understood that an Employee is not eligible to receive GIS Income Benefits for the same period for

which the Employee is eligible to receive Sickness and Accident or Extended Disability Benefits provided under Exhibit B, Supplemental Agreement (Life and Disability Benefits Program).

I. Designation of Carrier(s)

GIS Health Care and Life Insurance Coverages for eligible Employees covered by the GM-UAW Guaranteed Income Stream (GIS) Benefit Program shall be provided under an arrangement(s) with United Healthcare.

J. GIS Relocation Allowance

Relocation Allowances shall be provided under the GIS Program to help defray moving costs incurred by relocating GIS eligible Employees and their families as a consequence of moving their personal belongings and household goods from the vicinity of one Plant city to the vicinity of another Plant city.

Accordingly, GIS Relocation Allowances will be paid to eligible Employees after the Employees provide documentation satisfactory to Management that they have changed permanent residence and relocated as required by Section 14(b) of the GIS Program.

An Employee will be paid the amount specified in the Relocation Allowance provisions of the Collective Bargaining Agreement (CBA), as follows:

1. An Employee may apply for a GIS Relocation Allowance after starting work at the Company Facility to which the Employee relocated, provided the Employee has changed permanent residence and applies for such allowance.

2. The amount of any GIS Relocation Allowance payable to an eligible Employee shall be offset by the gross amount of any statutory relocation, moving or

similar payment or allowance received or receivable by the Employee under any applicable law, rule or regulation.

GIS eligible Employees who have received a Relocation Allowance in accordance with the above provisions and who later accept recall or rehire and return to a former location, will be eligible to receive a "return" Relocation Allowance upon providing documentation satisfactory to Management that they have changed permanent residence and relocated back to their former Facility. Applicants may receive a maximum of one (1) such "return" Relocation Allowance payment for relocation based on recall or rehire to a former Facility.

Any monies owed to the Corporation by a relocating Employee as a result of the Employee's default on a GIS Relocation Loan, is recoverable, in full, from any GIS Relocation Allowance payable to the Employee.

K. Medical Review Procedure - GIS Disability Claims

1. Laid off Employees applying for GIS Income Benefits by reason of disability must submit a completed Statement of Disability (form GM-GIS-1A) to the GIS Administrator before such Benefits can become payable.

2. The validity of an Employee's disability claim will be evaluated based upon the nature of the injury or illness, the medical evidence offered in support of the disability claim, and the duration of the disability stated by the Employee's physician. Accepted disability claims can be authorized for payment by the GIS Administrator (subject to the cumulative 52 week maximum).

3. If the duration of disability stated by the attending physician is determined to be unreasonable, or

irregularities in the Statement of Disability raise questions concerning the Employee's inability to work for the Company, the Employee will be referred to an appropriate local clinic or independent physician mutually agreed upon by the parties for an impartial medical opinion as to whether the Employee meets the requirements set forth in Section 2(e)(4) of this Program. Without adding to or modifying any other provisions under the current Collective Bargaining Agreement or any of its supplements, where an Impartial Medical Opinion (IMO) Program is in effect for a Plant, such IMO Program will be the "local clinic or independent physician" provided for above.

4. If the IMO examiner determines the Employee to be disabled, GIS Income Benefits by reason of disability will be authorized by the Administrator.

If the IMO examiner determines that the Employee is able to work, GIS Income Benefits by reason of disability will not be authorized for payment. Instead, payment of regular weekly GIS Income Benefits will continue provided the Employee is otherwise eligible for such Benefits.

The determination of the IMO examiner will be final and binding upon all the parties - the Company, the Union and the Employee. The expense of any such medical examination shall be charged against the Maximum Company Liability Amount.

5. If an Employee fails to appear for a scheduled IMO examination, the examination will be immediately rescheduled. Failure to appear for the rescheduled examination will result in the immediate suspension of GIS Income Benefits. Payment of GIS Income Benefits will resume, if otherwise eligible therefor, only after a medical examination is conducted and the Employee is found to be disabled, or the Employee recovers and is again able and available for work.

L. Medical Review Procedure - Medically Deferred Employees

1. If, in the opinion of the physician performing the Company pre-placement physical, a GIS eligible Employee has medical restrictions which preclude the Employee's employment, the Employee will be determined to be entitled thereafter only to GIS Income Benefits by reason of disability (if otherwise eligible therefor) as set forth in Section 2(e)(4) of the GIS Program.

2. If the Employee's pre-placement physical results in medical restrictions which fail to satisfy the requirements set forth in Section 2(e)(4) of the GIS Program, the hiring unit will make every effort to place the Employee in a job accommodating such medical restrictions. In the event the hiring unit is unable to place the Employee in a job, the Employee's entitlement for regular GIS Income Benefits, if otherwise eligible therefor, will continue.

3. An Employee may appeal the determination of further entitlement only for GIS Income Benefits by reason of disability, under item 1 above, by submitting form GM-GIS-6, "First Stage Appeal - Guaranteed Income Stream (GIS) Benefit Program", with the GIS Administrator.

Such appeals will be forwarded to the Corporate Medical Director for a prompt review of the hiring unit's pre-placement physical results. If the Corporate Medical Director determines that the pre-placement physical results in medical restrictions which fail to satisfy the requirements set forth in Section 2(e)(4) of the GIS Program, the procedure under item 2 above will be followed. If the Corporate Medical Director affirms the hiring unit's pre-placement physical determination, the GIS Administrator will refer the Employee to an appropriate local clinic or independent physician

mutually agreed upon for an impartial opinion as to whether the Employee satisfies the requirements set forth in Section 2(e)(4) of this Program.

Without adding to or modifying any other provisions of the current Collective Bargaining Agreement or any of its supplements, where an Impartial Medical Opinion (IMO) Program is in effect for a Plant, such IMO Program will be the "local clinic or independent physician" provided for above. The determination of the IMO examiner will be final and binding upon all parties - the Company, the Union and the Employee.

4. The expense of any mutually agreed to physical examination shall be charged against the Maximum Company Liability Amount.

M. Termination of Non-Company Employment With Respect to the Suspension of GIS Benefit Provisions Under Section 8 of the Program

1. An Employee who terminates non-Company employment in order to accept work at a different job that was arranged for or identified by the Company, Agent of the Company or Public Employment Service (arranged work) will not be considered to have quit that previous job and GIS Benefits will not be suspended under the provisions of Section (8)(a)(1) and 8(a)(2) of the Program. In addition, if the job from which the Employee terminated to accept arranged work had reestablished previously suspended GIS eligibility, Work Weeks prior to such termination that had been accumulated toward meeting the 13 week requirement under Section 8(a)(3) of the Program will be transferred to the new position, provided the Employee does not interrupt the consecutive nature of the 13 week requirement when changing jobs, other than for reasons outside the Employee's control that are associated with providing reasonable notice of separation to the former employer.

2. Following a suspension of GIS Benefits under Section 8(a)(1) of the Program for refusing or failing to appear for an employment interview, or refusing to accept an offer of Suitable Employment when such interview or offer was arranged for or identified by the Company, Agent of the Company or Public Employment Service, GIS Benefit eligibility will be reinstated when an otherwise eligible Employee, who was unemployed at the time GIS Benefits were suspended, obtains full time employment as provided in Section 8(c). Employees who were working at the time GIS Benefits were suspended by reason of Section 8(a)(1) of the Program will have GIS eligibility reestablished when (1) they terminate the job with the original employer and obtain full time employment with a different employer, or (2) their regular earnings with the original employer at least equals the level that would have allowed them to refuse such interview or job offer under the 120% rule stated in Section 8(a)(1) of the Program.

For purposes of determining GIS Income Benefits for Employees who have GIS eligibility reinstated, following a suspension under Section 8(a)(1), the GIS Income Benefit offset for Income from Other Sources, as provided in Section 5(a), will be based on the larger of (1) the earnings the Employee could have expected to receive had the Employee not refused the job offer or interview, or failed to appear for an interview for the job that resulted in the suspension of GIS Benefits, or (2) earnings from any subsequent employer.

3. An otherwise eligible Employee will not be entitled to GIS Benefits when such Employee has exhausted all SUB Benefit eligibility, but continues to receive or be eligible to receive Extended Disability Benefits (EDB) under Article II, Section 7 of the Life and Disability Benefits Program (Exhibit B to the Collective Bargaining Agreement). However, when such Employee recovers and EDB benefits cease

without the Employee returning to active employment with the Company, GIS entitlement will be reinstated. EDB benefits and any coverages under the Life and Disability Benefits Program (Exhibit B to the Collective Bargaining Agreement) or the Health Care Program (Exhibit C to the Collective Bargaining Agreement) paid or available to an Employee who would otherwise have been eligible for GIS Benefits, will not be charged against the Maximum Company Liability Amount (Section 15(d)).

N. Replacement of GIS Drafts

1. In those situations where either a GIS Income Benefit, Relocation Allowance, Redemption Payment or Interview Expense Reimbursement draft, issued to an otherwise eligible employee, has been lost, stolen or destroyed, a replacement GIS draft promptly will be issued to the Employee claiming such loss, if, upon the submission by the Employee of a properly completed request for replacement of GIS draft form, as provided by the Company:

(1) the Trustee determines that the draft identified on the request for replacement of GIS draft form has not yet been presented to the Trustee for payment and the Trustee stops payment of the draft; or

(2) the Trustee determines that the draft identified on the request for replacement of GIS draft form has been paid by the Trustee, and the Employee has signed and submitted to the Company, a notarized forgery affidavit, as provided by the Company, certifying that the signature on the cashed draft is not the Employee's.

2. If a replacement draft has been issued to an Employee based on the Employee's completed forgery affidavit, and, subsequent to the issuance of such replacement draft the Trustee determines that the

original draft was either (1) cashed by the Employee or (2) cashed by an individual against whom the Employee refuses to file criminal charges or a civil claim after having been requested to do so by the Trustee or the Company; then the amount issued to the Employee in such replacement draft immediately will be determined a GIS Program overpayment. The date the Trustee informs the Company of its determination that the original draft was cashed by the Employee or an individual against whom the Employee refuses to file criminal charges or a civil claim will be "the date the overpayment was established", as provided under Section 9(a) of the GIS Program. Any GIS Program overpayment recovery shall be in accordance with Section 9 of the GIS Program.

3. If a GIS Program overpayment has resulted from the issuance of a replacement GIS draft, and utilization of the overpayment recovery proceedings provided under Section 9 of the GIS Program has not resulted in the return of the overpayment to the Trustee, then the amount of the overpayment may be assigned to a Board of Administration approved collection agency to recover such Program overpayment. The Trustee shall be authorized to pay reasonable fees to the collection agency for services rendered, and the Fund shall be authorized to receive payments from the collection agency.

GM-UAW BOARD OF ADMINISTRATION

Approved: September 18, 2003

MEMORANDUM OF AGREEMENT

On this 18th day of September 2003, General Motors Corporation, hereinafter referred to as the Company, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, hereinafter referred to as the Union, agree as follows:

WHEREAS there are Employees on qualified layoff from a Company Facility who, with respect to such layoff, either have the requisite Years of Seniority to be eligible for GIS Benefits under the GM-UAW Guaranteed Income Stream (GIS) Benefit Program or are employed in accordance with Appendix A, II of the Collective Bargaining Agreement; and

WHEREAS such Employees have been offered and have accepted a

job offer at another Company Facility; and

WHEREAS, with respect to Employees eligible for GIS Benefits and those employed in accordance with Appendix A, II of the Collective Bargaining Agreement, such other Company Facility is more than 50 miles from the Employee's address of record for purposes of the GIS Program and from the Company Facility where the Employee last worked or is currently working for the Company, and with respect to such job offer the Company has offered to pay Relocation Allowance; and

WHEREAS such Employees may not have sufficient funds immediately available to meet transportation expenses to, and short term living expenses at, the Company Facility to which relocated;

NOW THEREFORE, the parties agree to the following Guaranteed Income Stream (GIS) Relocation Loan Program with the indicated requisites pertinent thereto:

I. ELIGIBILITY: the GIS eligible Employee and those employed in accordance with Appendix A, II of the Collective Bargaining Agreement described above must:

(a) have received and accepted a job offer at another Company Facility as described above;

(b) have applied for a TRA Relocation Allowance as provided under the Federal Trade Act of 1974, as amended;

(c) not be eligible for a TRA Relocation Allowance or TRA Relocation Allowance Lump Sum advance payment; or cannot receive such advance payment within a reasonable time prior to the Employee's departure date for the Company Facility to which relocated; and

(d) complete any required application procedure and/or forms established by the Company and/or bank or other institution from which the loan will be obtained.

II. LOAN PROVISIONS:

(a) only one (1) loan will be granted a GIS eligible Employee with respect to a relocation as described above (where a husband and wife are each GIS eligible Employees and both relocate to the same Company Facility, only one loan will be granted to such husband and wife collectively);

(b) the GIS eligible Employee may borrow up to $1,000 from the bank (or equivalent institution) designated by the Company;

(c) the Employee will repay the loan, including interest, directly to the bank or other institution making the loan and in accordance with the loan provisions, with a maximum repayment period of six (6) months.

The Employee may repay the loan in full at an earlier date without a pre-payment penalty;

(d) the Company will guarantee repayment of the loan, plus applicable interest, to the designated bank;

(e) if the Employee defaults on the loan and the Company is required under its guarantee of the loan, to pay the loan balance (including interest), the amount paid by the Company will be recoverable immediately from any monies then payable by the Company, or on the Company's behalf, or otherwise, to the Employee in the form of wages or benefits payable under the GM-UAW National Agreement and any Exhibits thereto; provided, however, that with the exception of any monies payable under Exhibit E and any Separation or Lump Sum Payments payable under Exhibit D, such recovery shall be limited to a maximum of 50% of any such wages or benefits then payable;

(f) any defaulted loan amounts (including interest) attributable to GIS eligible Employees only (excluding non-GIS eligible Employees employed in accordance with Appendix A, II), that the Company is unable to recover as provided under (e) above, will be charged against the Maximum Company Liability Amount under the GM-UAW Guaranteed Income Stream (GIS) Benefit Program;

(g) the Company reserves the right, in the event of an Employee's loan default, to recover any amount required to be paid by the Company in satisfaction of the Employee's loan obligation, from any future wages and/or benefits which may become payable to the Employee under the GM-UAW National Agreement and any Exhibits thereto (including any monthly pension benefit to which the Employee may become eligible and with respect to which the Employee voluntarily agrees to such payment recovery); provided, however, that with the exception of any monies payable under Exhibit E

and any Separation or Lump Sum Payments payable under Exhibit D, such recovery shall be limited to a maximum of 50% of any such wages or benefits that may become payable. The Company further reserves the right to take applicable legal action to effect recovery of such amount. Any amount recovered under this item (g) (less any recovery expenses) will be credited to the GIS Program's Maximum Company Liability Amount.

III. Any term used in this Memorandum of Agreement that is defined in the GM-UAW GIS Program, shall have the same meaning in this Agreement as it does in the GIS Program.

FORM GM-GIS-6
(Rev 1/2000)

Local Committee Case No._____

FIRST STAGE APPEAL
Guaranteed Income Steam (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW

Employee _____ (Print) Social Security Number _____ ( ) _____ (Area Code) (Telephone Number)

Home Address _____ (Street) (City) (State) (Zip Code)

Division _____ Plant or Location _____ Date _____

EMPLOYEE'S CLAIM
CROSS OUT the items in parentheses that do not apply)

CHECK ONE

☐ I received a Company determination notice dated _____ that I am ineligible for (a Redemption Payment) (Guaranteed Income Steam Benefits) (GIS Insurance Coverage).

☐ I received (a Redemption Payment) (Guaranteed Income Stream Benefits for week ending _____) in the amount of $_____. The amount should have been $_____.

☐ I received a Company determination notice of payment in error or overpayment of (a Redemption Payment) (Guaranteed Income Stream Benefits).

I believe this determination is improper and I hereby appeal.

_____
(Employee's Signature)

Check One

☐ Appeal to Local Committee

☐ Appeal to GIS Board of Administration – Applicable only if plant has ceased operations and there is no longer a Local Committee.

ADDITIONAL INFORMATION
(Give any details you think will be helpful to the Local Committee and/or the Board of Administration in resolving your appeal.)

(Use back of page if additional space is needed.)

TO EMPLOYEE:

This "First Stage Appeal" must be mailed to the CISA Center listed below, within 70 days following the date of mailing of (1) the Company's notice of determination or (2) the Guaranteed Income Stream Benefit payment(s) or Redemption Payment. You may mail this appeal or deliver it in person or give it to a member of the Local Committee who may file it for you.

GIS Administrator
CISA Center
P.O. Box 5075
Southfield, Michigan 48086-5075
Phone Number: 1-800-852-8000

If additional information is needed from you, you will be contacted. If your claim is granted, payment will be mailed to you. If your claim is rejected, you will be advised.

Copies To: Management Union Employee

GM-GIS-7
REV. 1-2000

FORM GM-GIS-7
(Rev 1/2000)

Local Committee Case No._____

NOTICE OF
LOCAL COMMITTEE DECISION

Guaranteed Income Steam (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: _____ Division
_____ _____
_____ Plant or Location
_____ _____

Your appeal, LOCAL COMMITTEE CASE No. _____, dated

_____, has been considered by the Local Committee. The Local Committee's decision is as follows:

_____ _____
_____ _____
(Management Representatives) (Union Representatives)

Date _____

Copies: Employee
Management
Union

GM-GIS-7A
REV. 1-2000

FORM GM-GIS-7A
(Rev 1/2000)

Local Committee Case No._____

NOTICE OF
LOCAL COMMITTEE DECISION
Guaranteed Income Steam (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: _____ Division
_____ _____
_____ Plant or Location
_____ _____

Your appeal, LOCAL COMMITTEE CASE No. _____, dated

_____, has been considered by the Local Committee. The Local Committee has failed to resolve your appeal. The Company's determination from which you appealed remains in effect.

_____ _____
_____ _____
(Management Representatives) (Union Representatives)

Date _____

APPEAL PROCEDURE

If you disagree with the above decision, you *may* appeal to the GM-UAW GIS Board of Administration. Your appeal must be in writing on Form GM-GIS-8A, copies of which are available at the Local Union Office or from the GIS Administration Center listed below. Your appeal must be filed with the Board within 70 days following the date of this notice.

GIS Administrator
CISA Center
P.O. Box 5078
Southfield, Michigan 48086-5078
Phone Number: 1-800-852-6000

If you intend to appeal to the Board, save this notice.

Copies: Employee
Management
Union

FORM GM-GIS-7B
(Rev 1/2000)

Local Committee Case No._____

NOTICE OF
LOCAL COMMITTEE DECISION AND OF APPEAL TO BOARD

Guaranteed Income Stream (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: _____ Division _____

_____ _____

_____ Plant or Location

_____ _____

Your appeal, LOCAL COMMITTEE CASE No. _____, dated _____, has been considered by the Local Committee. The Local Committee has failed to resolve your appeal. The Company's determination from which you appealed remains in effect.

An appeal from the Company's determination has been taken in your behalf to the GM-UAW GIS Board of Administration by the Union members of the Local Committee. It will not be necessary for you to file an appeal with the Board in this case. If additional information is needed from you, you will be contacted. If your claim is granted, payment will be mailed to you. If your claim is rejected, you will be advised.

_____ _____

_____ _____

(Management Representatives) (Union Representatives)

Date _____

Copies: Employee
Management
Union

FORM GM-GIS-8
(Rev 3/2003)

Local Committee Case No._____

LOCAL COMMITTEE APPEAL TO GM-UAW
BOARD OF ADMINISTRATION

Guaranteed Income Stream (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW

TO: General Motors Global Headquarters
Employee Benefits Group
Mail Code 482-B37-A68
200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

International Union – UAW
General Motors Department
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

This is an appeal from the Company's determination involving _____ (Employee's Name), _____ (Social Security Number), _____ (Division and Plant or Location). An appeal from this determination was taken to the Local Committee by the Employee and was considered by the Local Committee as CASE No. _____. The Local Committee having failed to resolve the First Stage Appeal, an appeal from the Company's determination is hereby taken to the Board of Administration.

In support of this appeal the undersigned alleges:

(State why the Guaranteed Income Stream Benefit Program is claimed to have been violated and set forth the facts relied upon as justifying a reversal or modification of the determination appealed.)

_____
(Union Member - Local Committee)

_____
(Union Member - Local Committee)

Date _____

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

FORM GM-GIS-8A
(Rev 3/2003)

Local Committee Case No._____

**EMPLOYEE APPEAL TO GM-UAW
BOARD OF ADMINISTRATION**

**Guaranteed Income Stream (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW**

TO: General Motors Global Headquarters
Employee Benefits Group
Mail Code 482-B37-A68
200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

International Union – UAW
General Motors Department
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

My appeal from the Company's determination to the Local Committee was considered by the Local Committee as CASE No. _____. The Local Committee having failed to resolve the First Stage Appeal, an appeal from the Company's determination is hereby taken to the Board of Administration.

In support of this appeal I allege:

(State why you claim the Guaranteed Income Stream Benefit Program has been violated and set forth the facts relied upon as justifying a reversal or modification of the determination appealed.)

Employee's Signature _____ Social Security No. _____

Address _____
(Number and Street) (City) (State) (Zip Code)

Division _____ Plant or Location _____ Date _____

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

FORM GM-GIS-8B
(Rev 3/2003)

Local Committee Case No._____

**NOTICE TO
BOARD OF ADMINISTRATION OF WITHDRAWAL OF APPEAL**

**Guaranteed Income Stream (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW**

TO: General Motors Global Headquarters
Employee Benefits Group
Mail Code 482-B37-A68
200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

International Union – UAW
General Motors Department
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214

The Board of Administration is hereby advised that Local Committee CASE No. _____, involving _____ (Employee's Name), _____ (Division and Plant or Location) which was appealed to the Board on _____, is hereby withdrawn.

Date _____

Signature(s) of Person(s) Making Withdrawal:

_____ (Employee)

OR

_____ (Union Member – Local Committee)

_____ (Union Member – Local Committee)

OR

_____ (Union Member – Board)

_____ (Union Member – Board)

_____ (Union Member – Board)

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

REV. 1-2000

FORM GIS-GIS-9
(Rev 1/2000)

Board of Administration Case No. _____

NOTICE OF
BOARD OF ADMINISTRATION DECISION

Guaranteed Income Stream (GIS) Benefit Program
Pursuant to Agreement Between General Motors Corporation and the UAW

Division _____ Plant or Location _____

Address _____
(Number and Street) (City) (State) (Zip Code)

Employee Involved _____ Social Security Number _____

Employee Address _____ Local Committee Case No. _____

DECISION OF BOARD

_____ _____

_____ _____

_____ _____
(General Motors Corporation Representatives) (International Union-UAW Representatives)

Date _____

Copies: Board – General Motors
Board – UAW
Local Committee – Management
Local Committee – Union
Employee

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NOTES

IK# 4022 115,000 ea

Vol. 7

Supplemental Agreement

Covering

PROFIT SHARING PLAN

9/7/04

45 pp

Exhibit F

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

dated

September 18, 2003

Effective 1/1/04 - 9/14/07

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EXHIBIT F

SUPPLEMENTAL AGREEMENT

(Profit Sharing Plan)

SUPPLEMENTAL AGREEMENT
(PROFIT SHARING PLAN)

On this 18th day of September 2003, General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, on behalf of the employees covered by the Collective Bargaining Agreement of which this Supplemental Agreement becomes a part, agree as follows:

SECTION 1. Establishment of Plan

Subject to the approval of its Board of Directors, the Corporation will establish an amended Profit Sharing Plan for Hourly-Rate Employees in the United States, hereinafter referred to as the "Plan", a copy of which is attached hereto as Exhibit F-1 and made a part of this Agreement to the extent applicable to the employees represented by the Union and covered by this Agreement as if fully set out herein, modified and supplemented, however, by the provisions hereinafter. In the event of any conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of this Agreement will supersede the provisions of the Plan to the extent necessary to eliminate such conflict.

In the event that the Plan is not approved by the Board of Directors of the Corporation, the Corporation, within 30 days after any such disapproval, will give written notice thereof to the Union and this Agreement shall thereupon have no force or effect. In that event, the matters covered by this Agreement shall be the subject of further negotiation between the Corporation and the Union.

SECTION 2. Administration

(a) Notwithstanding any provision of the Plan, (1) any person who receives a back pay award applicable to an earlier Plan Year as the result of a grievance settlement shall receive after such grievance settlement a payment for the Plan Year to which such back pay award applies in an amount equal to the Participant's Profit Sharing Amount that would have been payable for such earlier Plan Year, based on the Compensated Hours received by such person for such Plan Year, less any Profit Sharing Amount paid previously to such person for such Plan Year, (2) the amount of such payments shall be deducted from the Total Profit Share otherwise allocated to the Plan for the first Plan Year ending after the date of such grievance settlement in which a Total Profit Share is achieved, and (3) any Compensated Hours resulting from a back pay award shall be included as Compensated Hours only for the Plan Year for which the back pay is awarded.

(b) The Union shall be informed of the results of a review of a request by a Participant or beneficiary of a Participant pursuant to Article VI, Section 6.06 of the Plan, provided the Participant is represented by the Union.

(c) Notwithstanding Article II, Section 2.03 of the Plan, and solely for the purpose of determining the amount of any distribution under this Plan, Compensated Hours shall be credited to an employee who is on a leave of absence under Paragraph 109 of the National Agreement if the leave was granted for the purpose of permitting the employee to engage in the business of, or to work for, the Local Union and provided further that each such employee is involved in the in-plant administration of the provisions of such National Agreement. An employee eligible for Compensated Hours pursuant to this provision shall be credited with up to 40 hours for each calendar week while on such leave, subject to

the annual maximum specified in Article II, Section 2.03 of the Plan, provided the employee meets the requirements of the leave.

SECTION 3. Non-Applicability of Collective Bargaining Agreement Grievance Procedure

(a) No matter respecting the Plan as supplemented by this Agreement or any difference arising thereunder shall be subject to the grievance procedure established in the Collective Bargaining Agreement between the Corporation and the Union.

(b) All computations made by the Corporation to determine Sales and Revenues and Profits (as defined in Article II, Sections 2.15 and 2.14 of the Plan, respectively) when certified by the opinion of a firm of independent certified public accountants (selection of which shall be made by the Corporation and must be approved by the shareholders of the Corporation) as being in accordance with generally accepted accounting principles, and all calculations made by the Corporation to determine the Total Profit Share (as defined in Article II, Section 2.17 of the Plan) when certified by the opinion of the aforementioned independent certified public accountants as being in accordance with the provisions of the Plan, shall be final and binding on the Union, Participants, beneficiaries, and the Corporation.

(c) The Corporation will respond as soon as practicable to reasonable requests from the Union for information regarding the computations made by the Corporation of the Total Profit Share and allocation of the Total Profit Share among plans.

(d) The parties agree to refer any disagreements over the interpretation of the terms of this Agreement or the Plan to a mutually acceptable impartial person for resolution. The resolution of any such disagreement by such impartial person shall be final and binding upon

the Union, Participants, beneficiaries, and the Corporation. Such impartial person shall not, however, have any authority to determine accounting policies used in the computation of Sales and Revenues, Profits, or the Total Profit Share, or to change the dollar amount of Sales and Revenues, Profits, or the Total Profit Share. The determination of accounting policies (e.g., depreciation, LIFO, expense allocation, etc.), so long as they are within generally accepted accounting principles, remains within the sole discretion of the Corporation and such determination of accounting policies shall be final and binding upon the Union, Participants, and beneficiaries. The compensation of the impartial person, which shall be in such amount and on such basis as may be determined by the Corporation and the Union, shall be shared equally by the Corporation and the Union.

SECTION 4. Governmental Rulings

(a) The Plan, as set forth in Exhibit F-1, and the Plan as it may be supplemented by superseding provisions of this Agreement, are contingent upon and subject to the Corporation obtaining and retaining from the United States Department of Labor a ruling, satisfactory to the Corporation, holding that no part of any payments made from the Plan are included for purposes of the Fair Labor Standards Act or under comparable state legislation in the regular rate of any Participant.

(b) The Corporation shall apply promptly to the appropriate agency(ies) for the ruling described in subsection (a) of this Section.

(c) Notwithstanding any other provisions of this Agreement or the Plan, the Corporation, with the consent of the UAW Vice President and Director of the General Motors Department of the Union, may, during the term of this Agreement, make revisions in the Plan not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or

retain the ruling referred to in subsection (a) of this Section 4. Any such revisions shall adhere as closely as possible to the language and intent of provisions outlined in this Agreement and the Plan.

SECTION 5. Recovery of Overpayments

If it is determined that any monies paid to an employee under the GM-UAW National Agreement and any Exhibits thereto should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to such employee, and the employee shall repay the amount of the overpayment.

If the employee fails to repay such amount of overpayment promptly, the Corporation shall recover the amount of such overpayment immediately from any monies then payable, or which may become payable, to the employee in the form of wages or benefits payable under the GM-UAW National Agreement and any Exhibits thereto; except that, not more than 50% of any Profit Sharing Amount to which a Participant otherwise may be entitled shall be subject to any such recovery.

SECTION 6. Duration of Agreement

This Agreement and Plan as modified and supplemented by this Agreement shall continue in effect until the termination of the Collective Bargaining Agreement of which this is a part.

Notwithstanding termination of this Agreement and Plan, any Total Profit Share that otherwise would accrue for calendar year 2007 will be allocated, distributed, and administered in accordance with the provisions of this Agreement and the Plan.

In witness hereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

International Union UAW	General Motors Corporation
RON GETTELFINGER	G. RICHARD WAGONER, JR.
RICHARD SHOEMAKER	GARY L. COWGER
JIM BEARDSLEY	TROY A. CLARKE
HENDERSON SLAUGHTER	JOHN R. BUTTERMORE
JOE SPRING	DEAN W. MUNGER
BILL STEVENSON	THOMAS A. CROSKEY
DAVE CURSON	FRANCIS S. JAWORSKI
JIM SHROAT	CARLETON V. MATZELLE
RON BIEBER	GARY N. PHELEY
SCOTT CAMPBELL	JEAN L. ROSE
ANTONIO ORTIZ	ARTHUR R. SCHWARTZ
TOM WALSH	JAY C. WILBER
TOM WEEKLEY	L. L. WILLIAMS
WILLIE WILLIAMS	REX R. BLACKWELL
LEON SKUDLAREK	JOHN P. CARDIERO
ESTHER CAMPBELL	LEON P. CORNELIUS
HAROLD COX	DONALD E. FRAZIER
GREG FEDAK	ANITA RIDDLE JOHNSON
MARK KELLY	LARRY E. KNOX
FAYE MCAFEE	TERRY LEE
RICK MCKIDDY	CHERYL A. OLLILA
PAUL MITCHELL	ALEJANDRO J. PEREZ
HAROLD SHELTON	D. SCOTT SANDEFUR
DAVID SHOEMAKER	JOHN L. BEHNFELDT
LAWRENCE SMITH	BRUCE E. BRADLEY
MAURICE STATEN	W. GARY BRYANT
CINDY SUEMNICK	KEVIN W. COBB
LARRY SZUMAL	STUART R. COHEN
RON BROGAN	PRESTON M. CRABILL
BOB BUENO	LEIGH J. DUSHANE
MIDGE COLLETTE	ANDREA M. EBBITT
MARK HAWKINS	RUTH V. FLUEGGE
JIM JENKINS	DANIEL G. GALANT
LEE JONES	MICHAEL A. HALL
MIKE JONES	RALPH E. HANSON
LARRY KUK	DAVID T. HOSEA
RICK O'DONNELL	MICHAEL G. HOUGHTON
DARRELL SHEPARD	ELIZABETH A. KEYS
CLYDE SIMS	JAMES W. LALONDE

International Union UAW	General Motors Corporation
RAY ALLEN	TERRY J. MCDOUGALL
PAUL ALLMAND	ROBERT D. MORONI
GORDON ANDREWS	DANIEL J. OSBORNE
NATE BEARDSLEY	JOSEPH J. PIECHOCKI
CHARLIE BEST	MARK C. PIERONI
JIM BLAINE	EDWARD W. RISKO
RON BLYTHE	GREGORY SPALDING
JOAN BRYANT	JENNIE F. SPRING
REBECCA CABRERROS	MICHAEL TAYLOR
PATTI CAMPBELL	J. MIKE WHITE
DEBBIE CHAMBERLAIN	JANICE M. WHITEHOUSE
JERRY CHOTKOWSKI	AVA D. AUBREY
JAMES CIOTTI	JAMES F. BALL
JERRY CLIFTON	RENEE M. BARONE
JIM CLIFTON	REBECCA L. BEAMISH
TIM COBB	STEVEN L. BLACKMER
CHARLIE COY	MARIA BOGATAY
BRYAN CZAPE	PAUL E. BRASSEUR
SHELLEY CZEIZLER	PETER J. BUCZEK
STEVE CZERNESKI	ROSEMARIE C. BUSH
GEORGE DAKURAS	DERRICK CAMPBELL
DICK DIFFIN	MARIA T. CANTU
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DAVE DREMER	ROBERT J. CLEGHORN
SCOTT FARRADAY	MICHAEL V. COLETTA
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TOM FORD	THOMAS L. CRAGG
BILL FREEMAN	EVA J. CSENDES
RON GRAHAM	JAMES P. DAVIS
MOSES GREEN	DAVID W. DEMKO
MIKE GRIMES	RITA DERENCIUS
CHARLIE GROSS	DIANE M. DOWNS
LESLIE HALIBURTON	MICHAEL J. DOUGLAS
FRANK HAMMER	EDWARD L. DRIVER
BILL HAYES	KEVIN B. DUFF
KEN HOLDER	RANDI C. DULANEY
DIANA HROVATIN	JOAN M. EBNER
MOHAMMED ISA	ANTHONY ECHOLS
DAVE KAGELS	HARRY FISCHER
JIM KING	PATRICK R. FRAZEE
TOM KINMAN	KIT FROHARDT-LANE
PETE KOROLENKO	DAWN D. GALLINGER

International Union UAW	General Motors Corporation
Dave Koscinski	Diana Gowing
Dan Lack	Cynthia M. Haley
James Lake	Robert T. Hart
Diane Lawton	Sandra A. Heard
Randy Lentz	Valerie Howard
Reg McGee	Jan Hubbell
Steve McLimans	Sondra P. Huddleston
Greg Nelson	Thomas J. Ireland
Don Newton	Joseph L. Jarjosa
Kris Owen	Thomas F. Jelenek
Ed Parker	Barry R. Johnson
Linda Patton	Jeffrey W. Johnson
Rita Persinger	Leslie E. Jones
Steve Raich	David S. Kady
Fred Raspberry	Donald Karpinski
Bonni Reffitt	James J. Keenan
Lorenzo Rivera	Michael W. Kenerson
John Rupp	Richard J. Killewald
Russ Russaw	William B. Kilgore
Bill Savage	Cynthia Kirman
Jim Saylor	Jo Ann Kitchen
Rene Schutte	Daryl L. Klinko
Bill Scrase	David A. Kunkle
Darrell Smith	Elizabeth M. LaMarra
James Stevens	Timothy H. Lee
Stan Stoker	Tiffanie Y. Lewis
Tom Struckman	Sonja J. Lewis-Shells
Crickett Sweet	Ted M. Makowiec
Libby Tomasko	Gwendolyn D. Malone
Eddie Trent	Pamela M. Martis
Kenny VanHorn	Mark R. McCarthy
Dwayne Waldrop	Denise McDonald
Ron Walker	Timothy J. McDonald
Joanna Whitaker	Sally McMahon-Jones
Michael Wilson	David P. Middleton
Al Yelle	Edward G. Mohr
	Andrea V. Ohins
	Susan M. Pang
	Che B. Peterson
	Brian J. Pfaff
	Sharri R. Phillips
	Richard E. Pompa
	Joanne M. Pritchard
	Julie D. Putrich

International Union UAW	General Motors Corporation
	Michael W. Raleigh
	Kimberly Reed-Thomas
	Shawn M. Reynolds
	Robert R. Riegle
	Anthony J. Roberts, Jr.
	Gerald H. Samuelian
	Kathryn A. Sawatzki
	Michelle Scheer
	Sharon A. Scriven
	Bruce W. Smith
	Michael D. Southwell
	Craig A. Speckmann
	Monica J. Swart
	Renae L. Tallon
	Amber R. Taylor
	David L. Thorpe
	Lois Van Lente
	Carl A. Vereen
	Shelly L. Volling
	Paul Wehrwein
	Lawrence J. Whetstone, Jr.
	Tom W. Wickham
	Mary E. Williams
	Sherry H. Williams
	Charles E. Wright
	Michelle A. Yucha
	Brian E. Zielinski

EXHIBIT F-1

THE GENERAL MOTORS PROFIT SHARING PLAN FOR HOURLY-RATE EMPLOYEES IN THE UNITED STATES

ARTICLE I

ESTABLISHMENT AND EFFECTIVE DATE OF PROFIT SHARING PLAN

1.01 Establishment of Plan

General Motors Corporation hereby establishes The General Motors Profit Sharing Plan for Hourly-Rate Employees in the United States (hereinafter referred to as the Plan).

1.02 Effective Date of Amended Plan

The amended Plan shall become effective January 1, 2004, except as otherwise may be provided herein. The Agreement dated September 28, 1999 shall remain in effect until December 31, 2003, and shall govern distribution in 2004, based on any profits in 2003.

ARTICLE II

DEFINITION OF TERMS

The following definitions will apply to all words and phrases capitalized in the text which follows.

2.01 "Administrator"

Administrator means General Motors Corporation. The Administrator's address is 200 Renaissance Center, Mail Code 482-B37-A68, Detroit, MI 48265-2000.

2.02 "Associate"

Associate means a non-consolidated joint venture in which the capital investment of the Corporation, either directly or indirectly, is between 20% and 50%, inclusive.

2.03 "Compensated Hours"

(a) Compensated Hours means all hours, not in excess of 1,850 hours in any Plan Year, for which a Participant who is eligible to receive a distribution for a

Plan Year received pay from the Corporation with respect to hourly-rate employment in U.S. Operations during the Plan Year on or after an Employee's date of enrollment. The term shall include hours for which a Participant who is eligible to receive a distribution for a Plan Year receives base pay, overtime (with each hour paid at premium rates to be counted as one hour), vacation entitlement, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, and call-in pay; provided, however, no hours shall be duplicated because of payment under more than one category. The term shall not include hours compensated in any other form (e.g., Cost-of-Living Allowance, night-shift premium, seven-day premium, incentive pay, moving allowance, supplemental unemployment benefit payments under the Corporation's Supplemental Unemployment Benefit Plan [including automatic short week benefit payments] or Guaranteed Income Stream Benefit Plan, suggestion awards, tool allowances, imputed income, sickness and accident benefits, extended disability benefits, and allocations under this Plan).

(b) The term Compensated Hours shall include, for a Participant who otherwise is eligible to receive a distribution for a Plan Year, 40 hours for each complete calendar week during such Plan Year that the Participant is on an approved sick leave of absence and for such complete calendar week has received Workers' Compensation payments from the Corporation as the result of a totally disabling occupational injury or disease under any Workers' Compensation law or act or any occupational disease, law, or act, provided:

(i) the Participant otherwise would have been scheduled to work all hours during such complete calendar week(s); and

(ii) the Participant is actively at work for the Corporation during at least one complete calendar week in the Plan Year; and

(iii) during the Plan Year, or prior thereto, the Corporation has for such calendar week(s) either voluntarily paid Workers' Compensation benefits or failed to appeal the adverse determination of an applicable state agency or court awarding payment of Workers' Compensation benefits.

A Participant shall not receive credit for Compensated Hours applicable to any prior Plan Year as the result of a decision of an applicable state agency or court awarding benefits retroactively for periods during any prior Plan Year.

2.04 "Consolidated Subsidiary"

Consolidated Subsidiary means, for any Plan Year, any Subsidiary, the accounts of which are consolidated with those of the Corporation in the Statement of Consolidated Income and Consolidated Balance Sheet of the Corporation for such Plan Year.

2.05 "Corporation"

Corporation means General Motors Corporation.

2.06 "Domestic"

Domestic means, with respect to any Consolidated Subsidiary or Non-Consolidated Subsidiary, any such Subsidiary that is incorporated and derives more than 50% of its revenue from activities carried on or located within the United States.

2.07 "Employee"

Employee means

(a) any person regularly employed in the United States by U.S. Operations of the Corporation on an hourly-rate basis, including:

(1) hourly-rate persons employed on a full-time basis;

(2) part-time hourly-rate employees who, on a regular and continuing basis, perform jobs having definitely established working hours, but the complete performance of which requires fewer hours of work than the regular workweek, provided the services of such employees are normally available for at least half of the employing unit's regular workweek;

(b) The term "Employee" shall not include employees represented by a labor organization which has not signed an agreement making the Plan applicable to such employees.

(c) The term "Employee" shall not include leased employees as defined under Section 414(n) of the Internal Revenue Code.

(d) The term "employee" shall not include contract employees, bundled services employees, consultants, or other similarly situated individuals, or individuals who have represented themselves to be independent contractors.

The following classes of individuals are ineligible to participate in this Plan, regardless of any other Plan terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation:

(1) Any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled-services employees";

(2) Any individual who has signed an independent contractor agreement, consulting agreement, or other similar personal service contract with the Corporation;

(3) Any individual who both (a) is not included in any represented bargaining unit and (b) who the Corporation classifies as an independent contractor, consultant, contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded from the payroll, and regardless of whether that exclusion is correct.

2.08 "Investment"

Investment means a company in which the Corporation has less than a 20% ownership.

2.09 "Non-Consolidated Subsidiary"

Non-Consolidated Subsidiary means, for any Plan Year, any Subsidiary which is not a Consolidated Subsidiary for such Plan Year.

2.10 "Participant"

Participant means an Employee who, at any time during a Plan Year, has been enrolled in the Plan in accordance with Article III and is eligible to receive a Profit Sharing Amount for such Plan Year.

2.11 "Plan"

Plan means The General Motors Profit Sharing Plan for Hourly-Rate Employees in the United States.

2.12 "Plan Year"

Plan Year means the 12-month period beginning on January 1 and ending on December 31.

2.13 "Profit Sharing Amount"

Profit Sharing Amount means the portion of the Total Profit Share allocated to a Participant.

2.14 "Profits"

Profits means income earned by U.S. Operations before income taxes and "extraordinary" items (with "extraordinary" defined as under generally accepted accounting principles). Profits are before any profit sharing charges are deducted.

Profits also are before incentive program charges for U.S. Operations, including (i) General Motors Corporation, (ii) Consolidated Subsidiaries, and (iii) Non-Consolidated Subsidiaries. Excluded from Profits are any profits (or losses) derived from non-U.S. Subsidiaries of U.S. Operations and any dividends received from non-U.S. Subsidiaries. Income from non-consolidated U.S. Operations shall be included on an after-tax basis.

2.15 "Sales and Revenues"

Sales and Revenues means the total net sales and revenues of General Motors U.S. Operations for such Plan Year.

2.16 "Subsidiary"

Subsidiary means a corporation, a majority of the voting stock of which is owned, directly or indirectly, by the Corporation.

2.17 "Total Profit Share"

Total Profit Share means an obligation of the Corporation for any Plan Year in an amount equal to the sum of:

(a) 6% of the portion of the Profits for such Plan Year which exceeds 0.0% of Sales and Revenues for such Plan Year but does not exceed 1.8% of Sales and Revenues;

(b) 8% of the portion of the Profits for such Plan Year which exceeds 1.8% of Sales and Revenues for such Plan Year but does not exceed 2.3% of Sales and Revenues;

(c) 10% of the portion of the Profits for such Plan Year which exceeds 2.3% of Sales and Revenues for such Plan Year but does not exceed 4.6% of Sales and Revenues;

(d) 14% of the portion of the Profits for such Plan Year which exceeds 4.6% of Sales and Revenues for such Plan Year but does not exceed 6.9% of Sales and Revenues; and

(e) 17% of the portion of the Profits for such Plan Year which exceeds 6.9% of Sales and Revenues for such Plan Year.

In any Plan Year in which a Total Profit Share is achieved, the minimum Total Profit Share will be $50 multiplied by the total number of participants eligible for a distribution for the Plan Year under this Plan or under a similar plan established by the Corporation or would be eligible under a similar plan.

2.18 "U.S. Operations"

U.S. Operations means all operations of the Corporation and its Domestic Subsidiaries, both consolidated and non-consolidated, in the financial statements included in the General Motors Annual Report that carry on business primarily in the United States. The term excludes (1) General Motors Overseas Finance N.V., (2) the following U.S. incorporated Subsidiaries and their employees whose operations are primarily involved in business outside the United States: General Motors Interamerica Corporation, General Motors Overseas Corporation and its subsidiaries, General Motors Overseas Distribution Corporation, Motors Trading Corporation and any other Subsidiaries which, in the future, might qualify for such treatment, (3) Associates, and (4) Investments.

ARTICLE III

ENROLLMENT

3.01 Enrollment

An Employee will be enrolled in the Plan on the later of (a) the date upon which the employee meets the Plan definition of Employee, Section 2.07, or (b) the date on which this Plan first becomes applicable to the unit in which such person is employed, provided the person remains employed on such date.

ARTICLE IV

ALLOCATION AND DISTRIBUTION

4.01 Allocation of the Total Profit Share to this Plan

The Total Profit Share for the Plan Year is to be allocated to this Plan in the proportion that (a) the number of Participants in this Plan entitled to a distribution for the Plan Year bears to (b) the total number of all hourly-rate employees and non-executive salaried employees of the U.S. Operations and other persons who are entitled to a distribution for the Plan Year under this Plan or under a similar plan or would be entitled under a similar plan.

4.02 Allocation of Profit Sharing Amount to Participants

The portion of the Total Profit Share for the Plan Year allocated to this Plan in accordance with Section 4.01 will be allocated to each Participant entitled to a distribution for the Plan Year in the proportion that (a) the Participant's Compensated Hours for the Plan Year bears to (b) the total Compensated Hours of all Participants in this Plan entitled to a distribution for the Plan Year.

4.03 When Profit Sharing Amounts are Allocated and Distributed

(a) Commencing with the 2003 Plan Year and as soon as administratively feasible, but in no event later than the third month following the end of the Plan Year, the Profit Sharing Amount will be allocated and distributed to each eligible Participant pursuant to this Article IV. The Corporation shall deduct from the amount of any such distribution to a Participant (or beneficiary) any amount required to be deducted, by reason of any law or regulation, for payment of taxes or other payments to any federal, state, or local government. Each distribution shall be accompanied by a statement showing the computation of such Participant's Profit Sharing Amount. Withholding tax obligations of the Corporation with respect to any such distribution will be satisfied as determined by the Administrator of the Plan. In determining the amount of any applicable tax, the computation of which takes personal exemptions into account, the Corporation shall be entitled to rely on the official form filed with the Corporation for purposes of income tax withholding. No interest shall be payable with respect to any such distribution.

(b) In lieu of receiving a distribution in cash pursuant to subsection (a) of this Section 4.03, each Participant entitled to a distribution for any Plan Year that is in excess of the minimum Total Profit Share as defined in Article II, Section 2.17, other than a Participant whose employment terminated prior to distribution of such Profit Sharing Amounts, may elect to have the Corporation contribute to the Participant's account under The General Motors Personal Savings Plan for Hourly-Rate Employees in the United States an amount up to 100%, in multiples of 1% of such distribution, provided such amount is not in excess of the maximum amount permitted under Section 415 of the Code. Such election shall be filed at such time and in such manner as the Adminis-

trator shall determine and will remain continuously in effect until changed by the Employee. If the Administrator does not receive an election from a Participant on or before the date established by the Administrator for submission of such elections for the applicable Plan Year, the Participant's Profit Sharing Amount for the Plan Year shall be distributed to the Participant.

(c) Any amounts elected to be deferred by a Participant pursuant to Section 4.03(b) of this Article IV which cannot be deferred as a result of the application of Section 415 of the Code shall be distributed to the Participant.

(d) Notwithstanding Section 6.04 of the Plan, in the event the Corporation is legally obligated to pay a tax levy, child support, or similar legal obligations to any third party, no election made by the Participant to defer a Profit Sharing Amount pursuant to Section 4.03(b) shall be effective. To the extent necessary and/or available, the legally required payment will be deducted from the Participant's Profit Sharing Amount and paid to the applicable third party.

4.04 To Whom Profit Sharing Amounts are Distributed

In addition to Participants who are on the active roll at the end of the Plan Year, the Profit Sharing Amount for the Plan Year, if any, will be paid to otherwise eligible (1) Participants on layoff or leave of absence, including sick leave, at the end of the Plan Year, (2) Participants who retired during the Plan Year, and (3) beneficiaries of Participants who died during the Plan Year. Employees who terminated during the Plan Year for any reason other than death, retirement, or any voluntary termination of employment program shall not be eligible for a distribution for the Plan Year. The amount of any such distribution shall be determined in accordance with Section 4.02 of this Article IV.

Distribution of a Profit Sharing Amount will be made only to a Participant. However, if the Participant is deceased at the time of distribution, the distribution will be made to the beneficiary or beneficiaries designated by the Participant pursuant to Article V.

4.05 Overpayments and Underpayments

(a) No amount allocated to a Participant entitled to a distribution for a Plan Year under this Plan may be increased or decreased in a subsequent Plan Year except in the event it shall be determined an error in excess of $3 was made in the computation of any Profit Sharing Amount for any Plan Year. Such error shall be handled as follows:

(i) If such Participant's Profit Sharing Amount (correctly determined) was greater than the amount paid to such Participant by an amount in excess of $3, the deficiency shall be paid to such Participant within 60 days after such determination.

(ii) If such Participant's Profit Sharing Amount (correctly determined) was less than the amount paid to such Participant by an amount in excess of $3, written notice thereof shall be mailed to such Participant receiving such Profit Sharing Amount and the Participant shall return the amount of such overpayment to the Corporation; provided, however, that no such repayment shall be required if notice has not been given within 120 days from the date on which the overpayment was made. If such Participant shall fail to return such amount promptly, the Corporation shall make an appropriate deduction or deductions from any monies then payable, or which may become payable, by the Corporation to the employee in the form of wages or future payments under this Plan; provided, however, that any such deduction shall not exceed $30 from any one paycheck, but any such deduction from subsequent payments under the Plan shall not be limited.

(b) The Corporation shall make an appropriate deduction or deductions from any future benefit payment or payments payable to the Participant under this Plan for the purpose of recovering overpayments made to the Participant in the form of wages or under any General Motors benefit plan. Amounts so deducted shall be remitted to the Corporation or the benefit plan, as applicable. The Corporation, by such remittance, shall be relieved of any further liability to the Participant with respect to such payments under this Plan.

4.06 Benefit Drafts Not Presented

Unless prevented by law, the amount of any payment made to a Participant under the Plan, but not claimed by the Participant prior to December 31 of the Plan Year following the date of such payment, shall be added to the portion of the Total Profit Share next allocated to this Plan. In this event, such Participant shall have no further entitlement to such payment.

ARTICLE V

OTHER PROVISIONS

5.01 Designation of Beneficiaries in Event of Death

A Participant shall be deemed to have designated as beneficiary or beneficiaries under this Plan the person or persons who receive the Participant's life insurance proceeds under the Corporation's Life and Disability Benefits Program for Hourly Employees unless such Participant shall have assigned such life insurance, in which case the Profit Sharing Amount will be paid to the estate of the Participant unless such Participant has submitted, in writing, a different beneficiary or beneficiaries to the Plan Administrator.

A beneficiary or beneficiaries will receive, in the event of the Participant's death, all or part of the Profit Sharing Amount of the Participant in accordance with the applicable designation. If the Corporation shall be in doubt as to the right of any beneficiary to receive any Profit Sharing Amount, the Corporation may deliver such Profit Sharing Amount to the estate of the Participant, in which case the Corporation shall not have any further liability to anyone.

ARTICLE VI

ADMINISTRATION

6.01 Administrative Responsibility

The Corporation will have full power and authority to construe, interpret, and administer this Plan and to pass upon and decide cases presenting claims in conformity with the objectives of the Plan and under such rules as it may establish from time to time. Decision of the Corporation will be final and binding upon any of its employees.

6.02 Certification by Independent Certified Public Accountants

The Corporation will compute Sales and Revenues and Profits (as defined in Article II, Sections 2.15 and 2.14, respectively) in accordance with generally accepted accounting principles and then calculate the Total Profit Share and the allocation of Total Profit Share among plans in accordance with the provisions of this Plan. Such computations and calculations, when certified by the opinion of a firm of independent certified public accountants (selection of which shall be made by the Corporation and must be approved by the shareholders of the Corporation), shall be final and binding on Participants; the collective bargaining representative of such Participants, if any; beneficiaries and the Corporation.

6.03 Administrative Expenses

Administrative expenses of the Plan shall be paid by the Corporation.

6.04 Non-Assignability

Except as provided in Article IV, Section 4.05, to the extent allowed by applicable law, no right or interest of any Participant under this Plan shall be assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including, without limitation, by execution, levy, garnishment, attachment, pledge, or in any other manner, but excluding devolution by death or mental incompetency; no attempted assignment or transfer thereof shall be effective; and no right or interest of any Participant under this Plan shall be liable for, or subject to, any obligation or liability of such Participant.

6.05 Incapacity

If the Administrator deems any person incapable of receiving any distribution to which such person is entitled under this Plan because such person has not yet reached the age of majority, or because of illness, infirmity, mental incompetency, or other incapacity, it may make payment, for the benefit or the account of such incapacitated person, to any person selected by the Administrator whose receipt thereof shall be a complete settlement thereof. Such payments shall, to the extent thereof, discharge all liability of the Corporation and each other fiduciary with respect to this Plan.

6.06 Notice of Denial

The Administrator shall provide adequate notice, in writing, to any Participant or beneficiary whose request for a distribution or for a distribution in a greater amount under this Plan has been denied setting forth the specific reason or reasons for such denial. The Participant or beneficiary shall be given an opportunity for a full and fair review by the Corporation of the decision denying the request. The Participant will be given a reasonable period of time, to be established by the Corporation from the date of the notice denying such request, within which to request such review.

ARTICLE VII

AMENDMENT, MODIFICATION, SUSPENSION, OR TERMINATION

7.01 Amendment, Modification, Suspension, or Termination

The Corporation reserves the right, by and through its Board of Directors, to amend, modify, suspend, or terminate the Plan including specifically the right prior to making the allocation of contributions, as provided in Article IV, to include as Employees for purposes of the Plan such other employees of the Corporation and its Domestic Consolidated and Non-Consolidated Subsidiaries as the Corporation may specify.

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During the discussions between the parties held in conjunction with completing the Profit Sharing Plan language, the Union requested that all employees on leave under Paragraph 109 of the National Agreement to engage in the business of or to work for the Local Union should be included as eligible participants under such Plan. The Corporation pointed out, however, that certain employees, such as Trustees, Sergeants at Arms and Guides, and any other employees not involved in the in-plant administration of the National Agreement, would not be included in the Plan and would not receive any compensated hours under the Plan while on such leave. Moreover, it is understood that the Local Union will advise Local Management each year, in December, of the name, Social Security number, and job title of each such employee therefore not eligible for benefits under the Profit Sharing Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

This will confirm the understanding reached during our recent discussions with the Union regarding the information to be provided to the Union supporting computations made to compute the "Total Profit Share" and "Allocation of the Total Profit Share" to this Plan in the Profit Sharing Plan for Hourly-Rate Employees in the United States (the Profit Sharing Plan).

In these discussions, we advised the Union that for each Plan Year the Corporation would provide the following information:

- A summary report of Sales and Revenues, and Profits, adjusted in accordance with the Profit Sharing Plan, similar to the attached format;
- A report displaying the computation of the Total Profit Share and Allocation of the Total Profit Share to this Plan;
- Annual statement of consolidated income, including the footnotes, which will appear in the financial statements in the Annual Report to stockholders for the Plan Year; and
- A statement of the impact of changes described in the footnotes on U.S. Operations as defined in the Profit Sharing Plan.

The data reported will be certified by the independent public accountants in accordance with the Profit Sharing Plan.

The Corporation will provide the Union with the information described above as soon as practicable after it becomes available.

This understanding has been reached on the basis that the Union will ensure that, until and to the extent the information is made available by the Corporation to the public at large, the information will be disclosed only to those reviewing for the Union the computations related to the Profit Sharing Plan, and neither the Union nor anyone reviewing such information for the Union will make any other disclosure of the information.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

HOURLY PROFIT SHARING PLAN

Sales and Revenues & Profits, as Defined in the Plan,
for the Year Ended December 31, 20
($ in Millions)

Sales and Revenues

Total U.S. Net Sales and Revenues	$
Deduct Sales and Revenues of Excluded Subsidiaries and Associates	$
Sales and Revenues of U.S. Operations as Defined in the Plan	$

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Profits as Defined in the Plan

Net Income in the United States	$
Add (Deduct):	
• Net Income of Excluded Subsidiaries and Associates	
• Extraordinary Items	
• Income Taxes of U.S. Operations Excluding Non-Consolidated Subsidiaries	
• Provision for the Corporation, Consolidated Subsidiaries, and Non-Consolidated Subsidiaries Incentive Programs Applicable to U.S. Operations	
• Profit Sharing Accrual	
Profits as Defined in the Plan	$

Portion of Profits as Defined in the Plan	Profits as Defined in the Plan	Profit Sharing Rate	Total Profit Share
		%	
Between 0.0% and 1.8% of Sales and Revenues	$	6.0	$
Between 1.8% and 2.3% of Sales and Revenues		8.0	
Between 2.3% and 4.6% of Sales and Revenues		10.0	
Between 4.6% and 6.9% of Sales and Revenues		14.0	
Over 6.9% of Sales and Revenues		17.0	
	$		$

23

Deduct Portion of Profit Sharing Allocable to Non-Participating Employees	
Profit Sharing Accrual	$

Union Reports

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the Corporation and the Union confirmed their understanding and intent regarding certain provisions of the Profit Sharing Plan.

The Profit Sharing Plan, as initially negotiated and as presently constituted, provides for earnings of domestic unconsolidated subsidiaries included in Plan income to be reflected on an after-tax basis. As defined in the Plan, these subsidiaries primarily are finance and insurance subsidiaries, such as General Motors Acceptance Corporation. This treatment for Profit Sharing is consistent with the way General Motors presently accounts for these subsidiaries in its published financial results.

A change in the accounting for majority-owned subsidiaries presently is being considered by the Financial Accounting Standards Board (FASB). The FASB has indicated it intends to issue rules, effective in 1988, which would no longer permit companies to exclude majority-owned "non-homogenous" subsidiaries, such as General Motors Acceptance Corporation and its subsidiaries, from a line-by-line consolidation with the parent Corporation. In the event the proposed FASB rule regarding consolidation of majority-owned subsidiaries becomes final, appropriate adjustments will be made to "Profits" and "Sales and

Revenues" for the purpose of the Profit Sharing Plan. These adjustments will be made to achieve the same results as would be achieved under the present practice of reporting the after-tax results of unconsolidated subsidiaries (majority-owned "non-homogenous" operations) on a single line basis in the consolidated results of the parent Corporation and of excluding the revenues of these subsidiaries. These adjustments, as with all other adjustments presently required to be certified, would be certified by the independent public accountants.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide ongoing training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly, and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.

- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.
- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging, and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.

2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets, administrative manuals (where applicable), relevant contract provisions, and appropriate process descriptions.

Upon approval by the Executive Board of Joint Activities, the cost of development, hardware and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understanding that for purposes of Article II, 2.07 of the Profit Sharing Plan, the definition of Employee will include all hourly persons employed by Manual Transmissions of Muncie, LLC, formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

By: Richard Shoemaker

NOTES

K#4022

115,000 ea

Supplemental Agreement

Covering

PERSONAL SAVINGS PLAN

9/1/04

8808

Exhibit G

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

dated

September 18, 2003

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EXHIBIT G — 2003 Supplemental Agreement Between General Motors Corporation and the UAW (Personal Savings Plan)

EXHIBIT G-1 — Personal Savings Plan

EXHIBIT G

SUPPLEMENTAL AGREEMENT

(Personal Savings Plan)

SUPPLEMENTAL AGREEMENT (PERSONAL SAVINGS PLAN)

On this 18th day of September 2003, General Motors Corporation, hereinafter referred to as the Corporation, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, hereinafter referred to as the Union, on behalf of the employees covered by the Collective Bargaining Agreement of which this Agreement becomes a part, agree as follows:

SECTION 1. Establishment of Plan

Subject to the approval of its Board of Directors, which occurred on October 7, 2003, the Corporation established an amended Personal Savings Plan for Hourly-Rate Employees in the United States, hereinafter referred to as the "Plan", a copy of which is attached hereto and made a part of this Agreement to the extent applicable to the employees represented by the Union and covered by this Agreement as if fully set out herein, modified and supplemented, however, by the provisions hereinafter. In the event of any conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of this Agreement will supersede the provisions of the Plan to the extent necessary to eliminate such conflict.

SECTION 2. Administration

The Corporation shall have the responsibility for administration of the Plan.

Notwithstanding Article VI, Section 6.04 of the Plan, distribution of all assets in the Account of a Participant who has been discharged shall be deferred, unless the Participant otherwise elects irrevocably, pending the final resolution of any grievance over such Participant's discharge pursuant to the Collective Bargaining Agreement.

SECTION 3. Non-Applicability of Collective Bargaining Agreement Grievance Procedure

No matter respecting the Plan as supplemented by this Agreement or any difference arising thereunder shall be subject to the grievance procedure established in the Collective Bargaining Agreement between the Corporation and the Union.

SECTION 4. Governmental Rulings

The Plan and the Plan as it may be supplemented by superseding provisions of this Agreement are contingent upon and subject to the Corporation obtaining and retaining from the Internal Revenue Service a ruling, satisfactory to the Corporation, holding that the Plan meets the requirements of Section 401 of the Code, or any section of the Code which amends, supersedes, or supplements said section, and that any trust forming a part of the Plan is exempt from income taxation under Section 501(a) of the Code, or any section of the Code which amends, supersedes, or supplements said section. In the event the above ruling is not obtained, the Corporation, within 30 days after any such disapproval, will give written notice thereof to the Union.

Notwithstanding any other provisions of this Agreement or the Plan, the Corporation, with the consent of the Director of the General Motors Department of the Union, may, during the term of this Agreement, make revisions in the Plan not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or retain the ruling referred to in this Section 4. Any such revisions shall adhere as closely as possible to the language and intent of provisions outlined in this Agreement and the Plan.

SECTION 5. Duration of Agreement

This Agreement and Plan as supplemented by this Agreement shall continue in effect until otherwise agreed to by the Corporation and the Union.

In witness hereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

INTERNATIONAL UNION, UAW

RON GETTELFINGER
RICHARD SHOEMAKER
JIM BEARDSLEY
HENDERSON SLAUGHTER
JOE SPRING
BILL STEVENSON
DAVE CURSON
JIM SHROAT
RON BIEBER
SCOTT CAMPBELL
ANTONIO ORTIZ
TOM WALSH
TOM WEEKLEY
WILLIE WILLIAMS
LEON SKUDLAREK
ESTHER CAMPBELL
HAROLD COX
GREG FEDAK
MARK KELLY
FAYE MCAFEE
RICK MCKIDDY
PAUL MITCHELL
HAROLD SHELTON
DAVID SHOEMAKER
LAWRENCE SMITH
MAURICE STATEN
CINDY SUEMNICK
LARRY SZUMAL
RON BROGAN
BOB BUENO
MIDGE COLLETTE
MARK HAWKINS
JIM JENKINS
LEE JONES
MIKE JONES
LARRY KUK
RICK O'DONNELL
DARRELL SHEPARD
CLYDE SIMS
RAY ALLEN
PAUL ALLMAND
GORDON ANDREWS
NATE BEARDSLEY

GENERAL MOTORS CORPORATION

G. RICHARD WAGONER, JR.
GARY L. COWGER
TROY A. CLARKE
JOHN R. BUTTERMORE
DEAN W. MUNGER
THOMAS A. CROSKEY
FRANCIS S. JAWORSKI
CARLETON V. MATZELLE
GARY N. PHELEY
JEAN L. ROSE
ARTHUR R. SCHWARTZ
JAY C. WILBER
L. L. WILLIAMS
REX R. BLACKWELL
JOHN P. CARDIERO
LEON P. CORNELIUS
DONALD E. FRAZIER
ANITA RIDDLE JOHNSON
LARRY E. KNOX
TERRY LEE
CHERYL A. OLLILA
ALEJANDRO J. PEREZ
D. SCOTT SANDEFUR
JOHN L. BEHNFELDT
BRUCE E. BRADLEY
W. GARY BRYANT
KEVIN W. COBB
STUART R. COHEN
PRESTON M. CRABILL
LEIGH J. DUSHANE
ANDREA M. EBBITT
RUTH V. FLUEGGE
DANIEL G. GALANT
MICHAEL A. HALL
RALPH E. HANSON
DAVID T. HOSEA
MICHAEL G. HOUGHTON
ELIZABETH A. KEYS
JAMES W. LALONDE
TERRY J. MCDOUGALL
ROBERT D. MORONI
DANIEL J. OSBORNE
JOSEPH J. PIECHOCKI

INTERNATIONAL UNION, UAW

CHARLIE BEST
JIM BLAINE
RON BLYTHE
JOAN BRYANT
REBECCA CABREROS
PATTI CAMPBELL
DEBBIE CHAMBERLAIN
JERRY CHOTKOWSKI
JAMES CIOTTI
JERRY CLIFTON
JIM CLIFTON
TIM COBB
CHARLIE COY
BRYAN CZAPE
SHELLEY CZEIZLER
STEVE CZERNESKI
GEORGE DAKURAS
DICK DIFFIN
TERRY DOLAN
DON DOUGLAS
DAVE DREMER
SCOTT FARRADAY
JOHN FEDEWA
TOM FORD
BILL FREEMAN
RON GRAHAM
MOSES GREEN
MIKE GRIMES
CHARLIE GROSS
LESLIE HALIBURTON
FRANK HAMMER
BILL HAYES
KEN HOLDER
DIANA HROVATIN
MOHAMMED ISA
DAVE KAGELS
JIM KING
TOM KINMAN
PETE KOROLENKO
DAVE KOSCINSKI
DAN LACK
JAMES LAKE
DIANE LAWTON
RANDY LENTZ

GENERAL MOTORS CORPORATION

MARK C. PIERONI
EDWARD W. RISKO
GREGORY SPALDING
JENNIE F. SPRING
MICHAEL TAYLOR
J. MIKE WHITE
JANICE M. WHITEHOUSE
AVA D. AUBREY
JAMES F. BALL
RENEE M. BARONE
REBECCA L. BEAMISH
STEVEN L. BLACKMER
MARIA BOGATAY
PAUL E. BRASSEUR
PETER J. BUCZEK
ROSEMARIE C. BUSH
DERRICK CAMPBELL
MARIA T. CANTU
MAGDALENA T. CHAVEZ
DAVID R. CIESCO
ROBERT J. CLEGHORN
MICHAEL V. COLETTA
BRUCE R. COOPER
THOMAS L. CRAGG
EVA J. CSENDES
JAMES P. DAVIS
DAVID W. DEMKO
RITA DERENCIUS
DIANE M. DOWNS
MICHAEL J. DOUGLAS
EDWARD L. DRIVER
KEVIN B. DUFF
RANDI C. DULANEY
JOAN M. EBNER
ANTHONY ECHOLS
HARRY FISCHER
PATRICK R. FRAZEE
KIT FROHARDT-LANE
DAWN D. GALLINGER
DIANA GOWING
CYNTHIA M. HALEY
ROBERT T. HART
SANDRA A. HEARD
VALERIE HOWARD

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
Reg McGee	Jan Hubbell
Steve McLimans	Sondra P. Huddleston
Greg Nelson	Thomas J. Ireland
Don Newton	Joseph L. Jarjosa
Kris Owen	Thomas F. Jelenek
Ed Parker	Barry R. Johnson
Linda Patton	Jeffrey W. Johnson
Rita Persinger	Leslie E. Jones
Steve Raich	David S. Kady
Fred Raspberry	Donald Karpinski
Bonni Reffitt	James J. Keenan
Lorenzo Rivera	Michael W. Kenerson
John Rupp	Richard J. Killewald
Russ Russaw	William B. Kilgore
Bill Savage	Cynthia Kirman
Jim Saylor	Jo Ann Kitchen
Rene Schutte	Daryl L. Klinko
Bill Scrase	David A. Kunkle
Darrell Smith	Elizabeth M. LaMarra
James Stevens	Timothy H. Lee
Stan Stoker	Tiffanie Y. Lewis
Tom Struckman	Sonja J. Lewis-Shells
Crickett Sweet	Ted M. Makowiec
Libby Tomasko	Gwendolyn D. Malone
Eddie Trent	Pamela M. Martis
Kenny VanHorn	Mark R. McCarthy
Dwayne Waldrop	Denise McDonald
Ron Walker	Timothy J. McDonald
Joanna Whitaker	Sally McMahon-Jones
Michael Wilson	David P. Middleton
Al Yelle	Edward G. Mohr
	Andrea V. Ohins
	Susan M. Pang
	Che B. Peterson
	Brian J. Pfaff
	Sharri R. Phillips
	Richard E. Pompa
	Joanne M. Pritchard
	Julie D. Putrich
	Michael W. Raleigh
	Kimberly Reed-Thomas
	Shawn M. Reynolds
	Robert R. Riegle

INTERNATIONAL UNION, UAW	GENERAL MOTORS CORPORATION
	Anthony J. Roberts, Jr.
	Gerald H. Samuelian
	Kathryn A. Sawatzki
	Michelle Scheer
	Sharon A. Scriven
	Bruce W. Smith
	Michael D. Southwell
	Craig A. Speckmann
	Monica J. Swart
	Renae L. Tallon
	Amber R. Taylor
	David L. Thorpe
	Lois Van Lente
	Carl A. Vereen
	Shelly L. Volling
	Paul Wehrwein
	Lawrence J. Whetstone, Jr.
	Tom W. Wickham
	Mary E. Williams
	Sherry H. Williams
	Charles E. Wright
	Michelle A. Yucha
	Brian E. Zielinski

EXHIBIT G-1

THE GENERAL MOTORS PERSONAL SAVINGS PLAN FOR HOURLY-RATE EMPLOYEES IN THE UNITED STATES

ARTICLE I

ESTABLISHMENT OF PERSONAL SAVINGS PLAN

1.01 Establishment of Plan

General Motors Corporation hereby establishes The General Motors Personal Savings Plan for Hourly-Rate Employees in the United States (hereinafter referred to as the Plan), as set forth herein.

1.02 Effective Date of Amended Plan

The amended Plan shall become effective January 1, 2004, except as otherwise may be provided herein.

1.03 Governmental Rulings

This Plan is conditioned upon approval by the Internal Revenue Service in accordance with Sections 401 and 501(a) of the Code, or any section of the Code which amends, supersedes, or supplements said sections.

ARTICLE II

DEFINITION OF TERMS

The following definitions will apply to all words and phrases capitalized in the text which follows.

2.01 "Account"

Account means the assets credited to a Participant in the trust fund established under the Plan.

2.02 "Administrator"

Administrator means General Motors Corporation.

2.03 "After-Tax Assets"

After-Tax Assets means the units of the GM Common Stock Fund, EDS Common Stock Fund, GM Class H Common Stock Fund, Delphi Common Stock Fund, Raytheon Company Common Stock Fund, Promark Funds, Socially Oriented Funds, and shares of the Mutual Funds purchased with After-Tax Savings and dividends and earnings thereon.

2.04 "After-Tax Savings"

After-Tax Savings means amounts contributed to the trust fund by the Corporation as elected by a Participant in accordance with Section 5.01.

2.05 "Business Day"

Business Day means a day the New York Stock Exchange is open for business, except in the event of the occurrence on any day of government restrictions, exchange or market rulings, suspensions of trading, acts of civil or military authority, national emergencies, fires, earthquakes, floods or other catastrophes, acts of God, wars, riots or failures of communication or power supply, or other circumstances beyond the reasonable control of the Trustee, the Trustee shall determine in its discretion the extent to which such day shall constitute a Business Day for any purpose of the Plan. If the New York Stock Exchange is closed as a result of a holiday, weekend, or at the end of a Business Day, normally 4:00 p.m. Eastern Time, then the Effective Date will be the next following Business Day.

2.06 "Code"

The term "Code" means the Internal Revenue Code of 1986, as amended.

2.07 "Compensation"

Compensation means the total amount paid by the Corporation to the Employee with respect to hourly-rate employment during any Plan Year as evidenced by Internal Revenue Service Form W-2 or its equivalent, plus amounts not currently includable in income by reason of Sections 125, 132(f)(4) (effective January 1, 2001), and/or 402(e)(3) of the Code.

2.08 "Corporation"

Corporation means General Motors Corporation.

2.09 "Corporation Stock"

Corporation Stock means common stock ($1-2/3 par value), other than General Motors Class H common stock ($0.10 par value), issued by General Motors Corporation with voting power and dividend rights no less favorable than the voting power and dividend rights of other common stock issued by the Corporation.

2.10 "Corporation's Common Stock Funds"

The term "Corporation's Common Stock Funds" shall mean:

- **GM Common Stock Fund** - The term "GM Common Stock Fund" shall mean the investment option consisting principally of common stock, $1-2/3 par value, issued by General Motors Corporation. A portion of the GM Common Stock Fund may be invested in short-term fixed income investments and money market instruments.

- **GM Class H Common Stock Fund** - The term "GM Class H Common Stock Fund" shall mean the investment option consisting principally of General Motors Class H common stock, $0.10 par value, issued by General Motors Corporation. A portion of the GM Class H Common Stock Fund may be invested in short-

term fixed income investments and money market instruments.

2.11 "Current Market Value"

Current Market Value means

(a) for GM Common Stock Fund, EDS Common Stock Fund, GM Class H Common Stock Fund, Delphi Common Stock Fund, Raytheon Company Common Stock Fund, and the Promark Funds, the fair market value of the units reported by the respective fund,

(b) for assets attributable to the Mutual Funds, the fair market value of the units reported by the Mutual Fund company, and

(c) for assets attributable to the Socially Oriented Funds, the fair market value of the units reported by the companies representing such Funds.

2.12 "Date of Valuation"

Date of Valuation means the end of a Business Day, normally 4:00 p.m. Eastern Time, that a Participant initiates an investment option election, withdrawal, transfer of assets, settlement upon termination of employment, or loan, and such date shall be the Effective Date of Investment Option Election, Effective Date of Withdrawal, Effective Date of Transfer of Assets, Effective Date of Termination, or Effective Date of Loan, whichever applies.

2.13 "Deferred Assets"

Deferred Assets means the units of the GM Common Stock Fund, EDS Common Stock Fund, GM Class H Common Stock Fund, Delphi Common Stock Fund, Raytheon Company Common Stock Fund, Promark Funds, Socially Oriented Funds, and shares of the Mutual Funds purchased with Deferred Savings and dividends and earnings thereon.

2.14 "Deferred Savings"

Deferred Savings means amounts contributed to the trust fund by the Corporation as elected by a Participant in accordance with Sections 4.01 and 4.02.

2.15 "Delphi Common Stock Fund"

"Delphi Common Stock Fund" means the investment which consists principally of Delphi Corporation (Delphi) common stock. A portion of the Delphi Common Stock Fund may be invested in short-term fixed income investments and money market instruments.

2.16 "Distributee"

Distributee means an Employee or former Employee of the Corporation to whom assets are to be distributed. Additionally, the surviving spouse of the Employee or former Employee or alternate payee to whom assets are to be distributed under a Qualified Domestic Relations Order, as defined in Section 414(p) of the Code, are Distributees with regard to their interest.

2.17 "EDS Common Stock Fund"

EDS Common Stock Fund means the investment which consists principally of Electronic Data Systems Corporation (EDS) common stock, $0.01 par value. A portion of the EDS Common Stock Fund may be invested in short-term fixed income investments and money market instruments.

2.18 "Effective Date of Investment Option Election"

Effective Date of Investment Option Election means the Business Day on which appropriate direction to the Trustee is received by the party designated by the Administrator for an investment option change.

2.19 "Effective Date of Loan"

Effective Date of Loan means the Business Day on which appropriate direction to the Trustee is received by the party designated by the Administrator for a loan.

2.20 "Effective Date of Termination"

Effective Date of Termination means the Business Day on which termination of employment with the Corporation occurs.

2.21 "Effective Date of Transfer of Assets"

Effective Date of Transfer of Assets means the Business Day on which appropriate direction to the Trustee is received by the party designated by the Administrator for a transfer of assets.

2.22 "Effective Date of Withdrawal"

Effective Date of Withdrawal means the Business Day on which appropriate direction to the Trustee is received by the party designated by the Administrator for a withdrawal.

2.23 "Eligible Rollover Distribution"

Eligible Rollover Distribution means any distribution consisting of all or any portion of the Account of the Distributee, except that an Eligible Rollover Distribution does not include:

(i) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code;

(ii) the portion of any distribution that is not includable in gross income;

(iii) substantially equal installment payments that are payable for ten or more years; and

(iv) any distribution due to Financial Hardship as defined under Article II, Section 2.28.

2.24 "Eligible Weekly Earnings"

Eligible Weekly Earnings means base pay plus any Cost-of-Living Allowance received by a Participant from the Corporation with respect to hourly-rate employment during a calendar week and any Performance Bonus Payment (as defined in the Collective Bargaining Agreement) made to a Participant during the Plan Year. The term Eligible Weekly Earnings shall include any pay received for overtime hours, night shift, seven-day premiums, and suggestion awards. Eligible Weekly Earnings shall not include any other special payments, fees, or allowances, and in no event may exceed $200,000 per year effective January 1, 2001 (or as may be adjusted by the Secretary of the Treasury of the United States).

2.25 "Employee"

Employee means

(a) any person regularly employed in the United States by the Corporation or by a wholly-owned or substantially wholly-owned domestic subsidiary in accordance with I.R.C. Section 414(b), (c), and (m) thereof, on an hourly-rate basis, including:

(1) hourly-rate persons employed on a full-time basis; and

(2) part-time hourly-rate employees.

(b) the term Employee shall not include employees of any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of the Corporation acquired or formed by the Corporation on or after January 1, 1984, except as otherwise approved by the GM Board of Directors.

(c) the term "Employee" shall not include employees represented by a labor organization which

has not signed an agreement making the Plan applicable to such employees.

(d) the term "Employee" shall not include Leased Employees as defined under Article II, Section 2.30.

(e) the term "Employee" shall not include contract employees, bundled-services employees, consultants, or similarly situated individuals, or individuals who have represented themselves to be independent contractors.

(f) the following classes of individuals are ineligible to participate in this Plan, regardless of any other Plan terms to the contrary, and regardless of whether the individual is a common-law employee of the Corporation:

(i) any individual who provides services to the Corporation where there is an agreement with a separate company under which the services are provided. Such individuals are commonly referred to by the Corporation as "contract employees" or "bundled-services employees";

(ii) any individual who has signed an independent contractor agreement, consulting agreement, or other similar personal service contract with the Corporation;

(iii) any individual who both (a) is not included in any represented bargaining unit and (b) who the Corporation classifies as an independent contractor, consultant, contract employee, or bundled-services employee during the period the individual is so classified by the Corporation.

The purpose of this provision is to exclude from participation all persons who may actually be common-law employees of the Corporation, but who are not paid as though they were employees of the Corporation, regardless of the reason they are excluded from the

payroll, and regardless of whether that exclusion is correct.

2.26 "Excess Contributions"

The term Excess Contributions means the excess of:

(a) the aggregate amount of Deferred Savings actually taken into account in computing the limitations for Highly Compensated Employees under Section 4.04(a), over

(b) the maximum amount of Deferred Savings permitted under the limitations of Section 4.04(a) (determined by hypothetically reducing the Deferred Savings made on behalf of Highly Compensated Employees in the order of the ratios under Section 4.04(b), beginning with the highest of such ratios).

2.27 "Excess Aggregate Contributions"

The term Excess Aggregate Contributions means the excess of:

(a) the aggregate amount of After-Tax Savings actually taken into account in computing the limitations for Highly Compensated Employees under Section 5.03(a), over

(b) the maximum amount of After-Tax Savings permitted under the limitations of Section 5.03(a) (determined by hypothetically reducing the After-Tax Savings made on behalf of Highly Compensated Employees in the order of the ratios under Section 5.03(b), beginning with the highest of such ratios).

2.28 "Financial Hardship"

Financial Hardship means a reason given by a Participant when applying for a withdrawal before age 59-1/2 which indicates the withdrawal is (1) necessary to meet immediate and heavy financial needs of the

Participant, (2) for an amount required to meet the immediate financial need created by the hardship, and (3) for an amount that is not reasonably available from other resources of the Participant. The amount of such withdrawal may be increased to include any amounts necessary to pay reasonably anticipated income taxes and penalties resulting from the early withdrawal. The reason must be permitted under existing Internal Revenue Service regulations and rulings and must be acceptable to the Named Fiduciary or its delegate for one of the following reasons:

(a) purchase or construction of the Participant's principal residence;

(b) payment of expenses to prevent foreclosure on the Participant's principal residence or to prevent eviction from the Participant's principal residence;

(c) payment of tuition for the next 12 months of post-secondary education for a Participant, a Participant's spouse, or a Participant's dependent;

(d) payment of medical expenses previously incurred or necessary to obtain medical care for a Participant, a Participant's spouse, or a Participant's dependent; or

(e) any other reason acceptable under published Internal Revenue Service regulations and rulings.

2.29 "Highly Compensated Employees"

For purposes of this Plan, the term Highly Compensated Employees means Highly Compensated active Employees and Highly Compensated former Employees. For purposes of this Section, the determination year shall be the calendar year, and the look-back year shall be the 12-month period immediately preceding the determination year. A Highly Compensated active Employee includes

any Employee who performs service for the Corporation during the determination year and who, during the look-back year:

(a) (1) received compensation from the Corporation in excess of $80,000.00 (as adjusted under the Code) for such year, or

(2) was a 5% owner of the Corporation at any time during the year or the preceding year.

(b) A Highly Compensated former Employee includes any Employee who separated from service prior to the determination year, performs no service for the Corporation during the determination year, and was a Highly Compensated active Employee for either the separation year or any determination year ending on or after the Employee's 55th birthday.

(c) The determination of who is a Highly Compensated Employee, including the determinations of the number and identity of Employees in the top-paid group, will be made in accordance with Section 414(q) of the Code and regulations thereunder.

2.30 "Leased Employees"

Leased Employee means any person who, pursuant to an agreement between the Corporation and any leasing organization, has performed services for the Corporation on a substantially full-time basis for a period of at least one-year, and such services are performed under the primary direction or control of the Corporation. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the Corporation shall be treated as provided by the Corporation. A Leased Employee shall not be considered an employee of the Corporation if such employee is covered by the safe harbor requirements of Section 414(n)(5) of the Code.

2.31 "Named Fiduciary"

Named Fiduciary means the Investment Funds Committee of the Board of Directors of General Motors Corporation except as set forth in Sections 8.07 and 10.01.

2.32 "Normal Retirement Age"

Normal Retirement Age means the attainment of age 65 by the Participant.

2.33 "Participant"

Participant means an Employee, or former Employee, who has an Account under this Plan.

2.34 "Plan"

Plan means The General Motors Personal Savings Plan for Hourly-Rate Employees in the United States.

2.35 "Plan Year"

Plan Year means the 12-month period beginning on January 1 and ending on December 31.

2.36 "Prime Rate"

Prime Rate means the interest rate reported as the "Prime Rate" in the Eastern Edition of the Wall Street Journal in its general guide to money rates.

2.37 "Raytheon Company Common Stock Fund"

Raytheon Company Common Stock Fund means the investment which consists principally of Raytheon Company common stock. A portion of the Raytheon Company Common Stock Fund may be invested in short-term fixed income investments and money market instruments.

2.38 "Seniority"

Seniority as used in the Plan means the Employee must complete 90 days of employment with the Corporation.

2.39 "Total and Permanent Disability"

Total and Permanent Disability means the Employee is currently eligible for a benefit under The General Motors Hourly-Rate Employees Pension Plan because of total and permanent disability or would be eligible for such a benefit except the Employee does not have ten years of credited service.

2.40 "Trustee"

Trustee means the outside organization or organizations appointed by the Named Fiduciary, or its delegate, to hold, invest, and distribute the assets of the Plan.

ARTICLE III

ELIGIBILITY

3.01 Eligibility

An Employee is eligible to participate and accumulate savings under the Plan on the first day of the first pay period next following the attainment of Seniority.

A previously eligible Employee who resumes active employment following a termination of employment will be eligible to participate immediately.

ARTICLE IV

CASH OR DEFERRED ARRANGEMENT

4.01 Cash or Deferred Arrangement

(a) In lieu of receipt of Eligible Weekly Earnings to which an Employee is entitled, such Employee may

elect, by providing appropriate direction to the party designated by the Administrator, to have the Corporation contribute to the Plan, on a weekly basis, an equivalent amount in accordance with this qualified cash or deferred arrangement as provided for under Section 401(k) of the Code. Such contributions must be whole percentages of the Employee's Eligible Weekly Earnings and may not be at a rate of less than 1% nor more than 60% of the Employee's Eligible Weekly Earnings.

In addition to the contributions described above, an Employee age 50 or over, or an Employee that will attain age 50 by the end of the year, may elect to have the Corporation contribute to the Employee's Account "catch-up" contributions as permitted by Federal law. Such contributions may not be at a rate of less than 1% nor more than 40% of the Employee's Eligible Weekly Earnings. Catch-up contributions may only be permitted by an Employee once a limitation is imposed pursuant to this Section or Sections 4.04, 8.04 and 8.05 of the Plan.

Contributions referenced in this subsection shall be allocated to the Employee's Account and shall be vested immediately. The Employee's Compensation shall be reduced by the full amount of any such Corporation contribution.

The Employee may elect, by providing appropriate direction to the party designated by the Administrator, to change the amount of such Corporation contributions or to have such contributions suspended at any time.

(b) Any change in the rate of payroll deduction authorized by an Employee in accordance with subsection (a) of this Section 4.01 will become effective not later than the first day of the second pay period next following the date on which such authorization is received by the party designated by the Administrator.

(c) In addition to the contributions as provided for in subsection (a) of this Section 4.01, an Employee eligible to receive a payment from The General Motors Profit Sharing Plan for Hourly-Rate Employees in the United States may elect to have the Corporation contribute to the Employee's Account as Deferred Savings an amount up to 100%, in multiples of 1%, of the amount of such payment, provided such Employee has not terminated employment prior to such contribution. Such election shall be made at such time and in such manner as the Administrator shall determine and will remain continuously in effect until changed by the Employee. If appropriate direction is not received by the party designated by the Administrator from an Employee on or before the date established by the Administrator for submission of such election with respect to a payment, such amount shall be paid to the Employee.

(d) The Corporation may limit the amount of contributions to the trust pursuant to subsections (a) and (c) of Section 4.01 if necessary to comply with Sections 4.04, 8.04, and 8.05 of the Plan.

4.02 Transfer of Assets to or Receipt of Assets from Other Qualified Plans

The Administrator may direct the Trustee to accept all of an Employee's funds transferred from a similar qualified plan, and may direct the Trustee to transfer all of a Participant's funds to a similar qualified plan, provided such other qualified plan (1) is maintained by an employer which is a member of a controlled group of corporations of which the Employee's current employer is a member, and (2) permits such transfers, or (3) is a plan maintained by Delphi Corporation as part of its assumption of an applicable GM collective bargaining agreement. Any funds so transferred shall be accompanied by instructions from the Trustee setting

forth the Employee for whose benefit such assets are being transferred, and identifying the source of such accumulated funds. Funds transferred from other plans which otherwise would be subject to federal income taxation will be designated as Deferred Savings.

Notwithstanding the foregoing, the Plan may not receive a transfer from another qualified plan if such other plan provides, or at any time had provided, benefits through alternative forms of distribution, including annuities, which are not available under this Plan.

4.03 Rollovers

(a) An Employee may make a rollover contribution, as permitted under Section 402(c) of the Code, into an option or options selected by such Employee in an amount not exceeding the total amount of taxable and/or nontaxable proceeds distributed by another eligible retirement plan. An eligible retirement plan shall be determined under Section 402(c)(8)(B) of the Code. Additionally, cash proceeds received under a Qualified Domestic Relations Order from an eligible retirement plan as described above may be rolled over to the Plan. The rollover contribution must be made by the Employee (a) within 60 days following the receipt of such distribution of taxable proceeds, or (b) as a direct trustee-to-trustee transfer from the former employer's plan as permitted under Section 401(a)(31) of the Code.

(b) An Employee who receives an Eligible Rollover Distribution may elect to have the Trustee transfer directly to an IRA of the Employee, or to another employer's plan in which the Employee is a participant, all or part of the assets included in the distribution, including Company stock. The Employee shall designate the IRA or other employer's plan to which assets are to be transferred, and the transfer shall be made subject to acceptance by the transferee plan or

IRA. Any such direct transfer shall be subject to Section 401(a)(31) of the Code.

4.04 Cash or Deferred Arrangement Limitation

(a) The Deferred Savings percentage by the eligible Highly Compensated Employees under the Plan for a Plan Year must meet one of the following tests using the current year testing method:

(i) The actual Deferred Savings percentage of the eligible Highly Compensated Employees is not more than 1.25 times the actual Deferred Savings percentage of all other eligible Employees; or

(ii) The actual Deferred Savings percentage of the eligible Highly Compensated Employees is not more than two percentage points more than the actual Deferred Savings percentage for all other eligible Employees and is not more than 2.0 times (or, such lesser amount as the Secretary of the Treasury shall prescribe) the actual Deferred Savings percentage of all other eligible Employees.

(b) The actual Deferred Savings percentage for the eligible Highly Compensated Employees and all other eligible Employees for a Plan Year is the average of the ratios (calculated separately for each eligible Employee) of the:

(i) Amount of Deferred Savings actually paid over to the Plan trust not later than two and one-half months after the Plan Year on behalf of such eligible Employee for the Plan Year to:

(ii) The eligible Employee's Compensation for such Plan Year.

(c) The amount of Deferred Savings for a Highly Compensated Employee that exceeds the percentage limitations of subsection (a) of this Section 4.04 shall be

distributed to the Participant no later than two and one-half months following the end of the Plan Year. The amount of any such distribution shall be determined under a reasonable method selected by the Administrator under applicable tax regulations and will include any earnings attributable to the excess Deferred Savings.

(d) Special Rules

(i) In the event that this Plan satisfies the requirements of Sections 401(k), 401(a)(4), or 410(b) of the Code only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of such sections of the Code only if aggregated with this Plan, then this Section 4.04 shall be applied by determining the actual Deferred Savings percentage of eligible Employees as if all such plans were a single plan.

(ii) The actual Deferred Savings percentage for any Participant who is a Highly Compensated Employee for the Plan Year, and who is eligible to participate in two or more arrangements described in Section 401(k) of the Code that are maintained by the Corporation, shall be determined by treating all such plans as a single plan. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Section 401(k) of the Code.

(iii) Notwithstanding any other provision of the Plan, Excess Contributions, plus any income and minus any loss allocable thereto, shall be distributed no later than the last day of the following Plan Year to Employees to whose accounts such Excess Contributions were allocated. Excess Contributions are allocated to the Highly Compensated Employees with the largest amounts of Deferred Savings taken into account for the year in which the excess arose, beginning with such Employee with the largest amount

of such Savings and continuing in descending order until all the Excess Contributions have been allocated. For purposes of the preceding sentence, the "largest amount" is determined after distribution of any Excess Contributions.

ARTICLE V

AFTER-TAX SAVINGS

5.01 After-Tax Savings

(a) In lieu of all or part of the contributions an Employee may authorize in accordance with Section 4.01, an Employee may elect to contribute an equivalent amount to the Plan on an after-tax basis. Such contributions shall be allocated to the Employee's Account and shall be vested immediately.

The Employee may elect, by providing appropriate direction to the party designated by the Administrator, to change the amount of such contributions or to have such contributions suspended at any time.

(b) Any change in the rate of payroll deduction authorized by an Employee in accordance with subsection (a) of this Section 5.01 will become effective not later than the first day of the second pay period next following the date on which such authorization is received by the party designated by the Administrator.

(c) The Corporation may limit the amount of contributions to the trust pursuant to subsection (a) of this Section 5.01 if necessary to comply with Sections 5.03, 5.05, and 8.04 of the Plan.

5.02 Transfer of Assets to or Receipt of Assets from Other Qualified Plans

The Administrator may direct the Trustee to accept all

of an Employee's funds transferred from a similar qualified plan, and may direct the Trustee to transfer all of a Participant's funds to a similar qualified plan, provided such other qualified plan (1) is maintained by an employer which is a member of a controlled group of corporations of which the Employee's current employer is a member, and (2) permits such transfers, or (3) is a plan maintained by Delphi Corporation as part of its assumption of an applicable GM collective bargaining agreement. Any funds so transferred shall be accompanied by instructions from the Trustee setting forth the Employee for whose benefit such assets are being transferred, and identifying the source of such accumulated funds. Funds transferred from other plans which otherwise would not be subject to federal income taxation will be designated as After-Tax Savings.

Notwithstanding the foregoing, the Plan may not receive a transfer from another qualified plan if such other plan provides, or at any time had provided, benefits through alternative forms of distribution, including annuities, which are not available under this Plan.

5.03 After-Tax Contribution Limitation

(a) The After-Tax Savings percentage by the eligible Highly Compensated Employees under the Plan for a Plan Year must meet one of the following tests using the current year testing method:

(i) The actual After-Tax Savings percentage of the eligible Highly Compensated Employees is not more than 1.25 times the actual After-Tax Savings percentage of all other eligible Employees; or

(ii) The actual After-Tax Savings percentage of the eligible Highly Compensated Employees is not more than two percentage points more than the actual After-Tax Savings percentage for all other eligible Employees

and is not more than 2.0 times (or, such lesser amount as the Secretary of the Treasury shall prescribe) the actual After-Tax Savings percentage of all other eligible Employees.

(b) The actual After-Tax Savings percentage for the eligible Highly Compensated Employees and all other eligible Employees for a Plan Year is the average of the ratios (calculated separately for each eligible Employee) of the:

(i) Amount of After-Tax Savings actually paid over to the Plan trust on behalf of such eligible Employee for the Plan Year to:

(ii) The eligible Employee's Compensation for such Plan Year.

(c) The amount of After-Tax Savings for a Highly Compensated Employee that exceeds the percentage limitations of subsection (a) of this Section 5.03 shall be distributed to the Participant no later than two and one-half months following the end of the Plan Year. The amount of any such distribution shall be determined under a reasonable method selected by the Administrator under applicable tax regulations and will include any earnings attributable to the excess After-Tax Savings.

5.04 Special Rules

(a) In the event that this after-tax portion of the Plan satisfies the requirements of Sections 401(m), 401(a)(4), or 410(b) of the Code only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of such sections of the Code only if aggregated with this after-tax portion of the Plan, then Section 5.02 shall be applied by determining the actual After-Tax Savings percentage of eligible Employees as if all such plans were a single plan.

(b) The actual After-Tax Savings percentage for any Participant who is a Highly Compensated Employee for the Plan Year, and who is eligible to participate in two or more arrangements described in Section 401(m) of the Code that are maintained by the Corporation, shall be determined by treating all such plans as a single plan. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Section 401(m) of the Code.

(c) Notwithstanding any other provision of the Plan, Excess Aggregate Contributions, plus any income and minus any loss allocable thereto, shall be distributed no later than the last day of the following Plan Year to Employees to whose accounts such Excess Aggregate Contributions were allocated. Excess Aggregate Contributions are allocated to the Highly Compensated Employees with the largest amounts of After-Tax Savings taken into account for the year in which the excess arose, beginning with such Employee with the largest amount of such Savings and continuing in descending order until all the Excess Aggregate Contribution have been allocated. For purposes of the preceding sentence, the "largest amount" is determined after distribution of any Excess Aggregate Contributions.

ARTICLE VI

INVESTMENT OF PARTICIPANT'S SAVINGS

6.01 Investment Options

(a) Amounts contributed to the trust fund on behalf of Participants pursuant to subsections (a) and (c) of Section 4.01 and subsection (a) of Section 5.01 shall be invested in the following investment options, in increments of 10%, as may be elected by the Participant:

(i) GM Common Stock Fund; or

(ii) the Mutual Funds; or

(iii) GM Class H Common Stock Fund; or

(iv) the Promark Funds; or

(v) the Socially Oriented Funds.

(b) A Participant's initial investment election shall remain in effect until changed by the Participant.

A Participant's investment election may be changed on any Business Day by providing appropriate direction to the party designated by the Administrator. Any change in the Participant's investment election shall be effective as of the Effective Date of Investment Option Election.

(c) Amounts contributed to the trust fund on behalf of a Participant as provided in subsection (c) of Section 4.01 and Sections 4.02 and 5.02 shall be invested in the same investment option(s) as elected by the Participant pursuant to subsection (a) of this Section 6.01; provided, however, that if contributions are not being made to the trust fund on behalf of such Participant pursuant to subsections (a) of Sections 4.01 and 5.01, the Participant will be required, prior to the contribution or transfer of amounts pursuant to subsection (c) of Section 4.01 and Sections 4.02 and 5.02, to make an election regarding the investment of such amount.

(d) A Participant may, by giving appropriate direction to the party designated by the Administrator, transfer assets being held in such Participant's Account from one investment option to another investment option, as follows:

(i) A transfer of assets may include all or any part of such assets in an investment option, except that the

Mutual Funds have a minimum transfer amount of $250. If the value of the Mutual Fund is less than the minimum, all such assets in the Fund must be transferred.

(ii) A Participant may elect a transfer of assets on any Business Day.

(iii) Any election to transfer assets shall be irrevocable, normally as of 4:00 p.m. Eastern Time, on the Business Day such election is received by the party designated by the Administrator.

(iv) Any appropriate election to transfer assets shall be processed as of the Effective Date of Transfer of Assets.

(v) Where excessive trading can undermine any of the Funds or exceed the available liquidity for any such Fund, General Motors reserves the right to modify or suspend transfer and withdrawal privileges on any of the Non-Mutual Funds, at any time, upon notice to Participants.

(vi) The Mutual Funds' provider reserves the right to modify or suspend transfer and withdrawal privileges on any of the Mutual Funds in those instances where excessive trading in any one of the Mutual Funds can undermine such Fund.

(vii) The Socially Oriented Funds provider reserves the right to modify or suspend transfer and withdrawal privileges on any of the Socially Oriented Funds in those instances where excessive trading in any of the Socially Oriented Funds can undermine such Fund.

6.02 Vesting

Each Participant shall be fully vested in the assets credited to the Participant's Account, and no portion of such Account shall be subject to forfeiture.

6.03 Withdrawals

(a) A Participant may, by providing appropriate direction to the party designated by the Administrator, withdraw assets in such Participant's Account subject to the following provisions:

(1) Prior to receiving a withdrawal of Deferred Assets, a Participant must withdraw all available After-Tax Assets including any earnings thereon.

(2) Deferred Assets may be withdrawn from the Participant's Account, subject to the provisions outlined in subsection (a) of this Section 6.03, at any time after attaining age 59-1/2, or prior to age 59-1/2 because of severance from employment, death, Total and Permanent Disability, Financial Hardship, or termination of the Plan. Prior to receiving a withdrawal for Financial Hardship, a Participant previously must have taken all available asset distributions, withdrawals, and loans under all applicable plans maintained by the Corporation. The amount that may be withdrawn for a Financial Hardship shall be limited to the lesser of:

(i) the total amount of Deferred Savings in the Participant's Account as of the Effective Date of Withdrawal; or

(ii) the amount required to meet the Financial Hardship, including any amounts necessary to pay reasonably anticipated income taxes and penalties resulting from the early withdrawal.

(b) A Participant who has an outstanding loan(s) in accordance with Section 6.06 shall be permitted to make a withdrawal in accordance with subsection (a) of this Section 6.03.

(c) A Participant who withdraws any Deferred Assets for Financial Hardship in accordance with subsection (a) of this Section 6.03 will be suspended

from accumulating further savings under this Plan, and all applicable plans maintained by the Corporation, for a period of 12 months immediately following such withdrawal.

(d) Any election to withdraw assets shall be irrevocable, normally as of 4:00 p.m. Eastern Time, on the Business Day such election is received by the party designated by the Administrator.

(e) The Date of Valuation on any appropriate election to withdraw assets, pursuant to this Section 6.03, shall be the Effective Date of Withdrawal.

6.04 Distribution of Assets

(a) Settlement Upon Termination of Employment

If a Participant terminates employment, such Participant may elect, by providing appropriate direction to the party designated by the Administrator, to (1) receive installment payments, (2) receive partial withdrawals, (3) receive a total settlement, or (4) defer continuously the distribution of assets in such Participant's Account. If such Participant fails to make an election, the Participant's Assets shall remain in the Participant's Account until the earlier of:

(1) the Participant's request for a settlement; or

(2) the Participant's attainment of age 70-1/2.

The Date of Valuation for any such installment payment, partial withdrawal, or total settlement shall be the Effective Date of Withdrawal.

With regard to installment payments, a Participant may elect to receive such payments each calendar month, calendar quarter, semi-annual, or on an annual basis.

Installment payments must be in whole dollar

amounts with $100 established as the monthly minimum amount. A Participant may change or discontinue installment payments at any time by providing appropriate direction to the party designated by the Administrator.

If a terminated Participant does not make an election under this Section 6.04 prior to attaining age 70-1/2, distribution of assets in the Participant's Account will begin not later than April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2 and shall be made annually thereafter in accordance with Section 401(a)(9) of the Code and the regulations thereunder, including the minimum distribution incidental benefit requirement of Section 1.401(a)(9)-2 of the Proposed Income Tax Regulations.

(b) Attainment of Age 70-1/2

(i) If a Participant attains age 70-1/2 and such Participant has not terminated employment, a distribution of the Participant's assets will be made upon termination of employment pursuant to Section 6.04(a).

(ii) All distributions required under this subsection shall be determined and made in accordance with Section 401(a)(9) of the Code and the regulations thereunder, including the minimum distribution incidental benefit requirement of Section 1.401(a)(9)-2 of the Income Tax Regulations.

(c) Undeliverable Assets

In the event a distribution to a Participant or the Participant's beneficiary cannot be made pursuant to subsections (a) and (b) of this Section 6.04 and Section 8.02 because the identity or location of such Participant or beneficiary cannot be determined after reasonable efforts, and if the Participant's settlement remains undistributed for a period of one year from the Date of

Valuation, the Administrator may direct that the settlement assets and earnings on such assets be returned to the trust fund and liquidated. All liability for payment thereof shall thereupon terminate; provided, however, in the event the identity or location of the Participant or beneficiary is determined subsequently, the value of the assets at the Date of Valuation shall be paid from the Plan to such person in a single sum. Any assets so liquidated shall be (1) paid to the Participant or beneficiary when the identity or location is determined, or (2) applied to reduce reasonable expenses of administering the Plan.

6.05 Form of Distribution

(a) Upon withdrawal or settlement pursuant to Section 6.03 or subsections (a) and (b) of Section 6.04, a Participant may elect to receive any full shares equivalent to the Current Market Value of their assets invested in any of the Corporation Common Stock Funds, EDS Common Stock Fund, Delphi Common Stock Fund, or the Raytheon Common Stock Fund; provided, however, that prior to or coincident with the Effective Date of Withdrawal or Effective Date of Termination, the Participant may elect to receive cash-in-lieu of shares equivalent to the value of their assets invested in the Corporation Common Stock Funds, EDS Common Stock Fund, Delphi Common Stock Fund, or the Raytheon Common Stock Fund based on the Current Market Value of such stock on the Date of Valuation. All fractional units of the Corporation Common Stock Funds, EDS Common Stock Fund, Delphi Common Stock Fund, or the Raytheon Common Stock Fund worth less than one share of stock and all units of the Promark Funds, Socially Oriented Funds, and Mutual Funds will be paid out in cash.

(b) Upon settlement pursuant to subsection (c) of Section 6.04, a Participant shall receive cash-in-lieu of

shares equivalent to the value of their assets liquidated in the Corporation Common Stock Funds, EDS Common Stock Fund, Delphi Common Stock Fund, or the Raytheon Common Stock Fund based on the Current Market Value of such stock funds on the Date of Valuation.

(c) (1) In the event of the death of a Participant and upon receipt of all information necessary to determine the beneficiary or beneficiaries, a settlement of all assets in the deceased Participant's account shall be made to the beneficiary or beneficiaries designated pursuant to Section 8.02. The beneficiary or beneficiaries may elect to receive cash-in-lieu of shares equivalent to the value of the assets invested in the Corporation Common Stock Funds, EDS Common Stock Fund, Delphi Common Stock Fund, or the Raytheon Common Stock Fund in the deceased Participant's Account, based on the Current Market Value of such stock funds on the Date of Valuation. The Date of Valuation will be the Effective Date of Withdrawal. For purposes of making a settlement distribution to the beneficiary or beneficiaries, the Date of Valuation and the Effective Date of Withdrawal means the date on which the Administrator, or its delegate, determines the appropriate beneficiary or beneficiaries and is in receipt of all necessary information and directions to process the settlement.

(2) Notwithstanding the provision of the immediately preceding paragraph, (a) if a Participant's beneficiary is the Participant's surviving spouse, if the Participant has elected a distribution schedule under Section 6.04 (a) which had commenced by the Participant's date of death, the Participant's account shall continue to be paid to the surviving spouse pursuant to such schedule or, at the spouse's election at any time, in a lump sum, and (b) if distribution of the Participant's account has not commenced as of the

Participant's date of death, the surviving spouse shall, for purposes of the distribution requirements and options under the Plan, be deemed a participant; except that the surviving spouse shall be deemed to attain age 70-1/2 on the date the Participant would have attained such age.

Additionally, in no event shall the surviving spouse be able to make contributions to the deceased Participant's Account.

6.06 Loans

(a) Subject to such rules as the Administrator may prescribe, a Participant, a former Employee, and a surviving spouse, may borrow from assets in such Participant's Account one time each calendar year, for any reason, an amount (when added to the outstanding balance of all other Plan loans) not more than the lesser of:

(1) $50,000 less the highest aggregate outstanding loan balance over the 12-month period preceding the Participant's application for loan; or

(2) one-half of the Current Market Value of all assets in the Participant's Account.

The maximum amount available for a loan, to an active Participant, will be reduced by an amount equal to the outstanding principal and interest of any loan that has been defaulted.

For purposes of the above limitation, all loans from all plans maintained by the Corporation [or its subsidiaries in accordance with Section 414(b), (c), or (m) of the Code] shall be aggregated.

(b) Loans shall be granted in whole dollar amounts with one thousand dollars ($1,000) established as the minimum amount of any loan.

(c) Loans shall be granted for a minimum period of 12 months, with additional increments of 12 months as the Participant may elect, to a maximum of five years (ten years in the event the loan is for the purchase or construction of the Participant's principal residence), provided a Participant may not elect a term which will result in repayments of less than $10 per pay period.

(d) Loans shall bear a rate of interest equal to the Prime Rate prevailing as of the last Business Day of the calendar quarter immediately preceding the date the Participant gives appropriate direction for a loan to the party designated by the Administrator.

The interest rate shall remain the same throughout the term of the loan.

(e) For purposes of this Section 6.06, the Current Market Value of a Participant's assets shall be determined on the Effective Date of Loan.

(f) Each loan shall be evidenced by a written, or online acknowledged, Participant Loan Agreement that specifies:

(1) the amount of the loan;

(2) the term of the loan; and

(3) the repayment schedule, showing payments to be made in a level amount which will fully amortize the loan over its duration.

By endorsing and either cashing or depositing the check representing the loan, a Participant shall acknowledge receipt of the Participant Loan Agreement and agree to the terms and conditions contained therein.

(g) Cash equal to the value of any loan granted shall be obtained by liquidating assets in the Participant's Account from investment options in which the Participant has assets, as the Participant may elect.

(h) Repayment of a loan shall be through weekly payroll deductions, except that if the Participant is not an active Employee, such repayments shall be made through monthly installment payments. Payments of principal and interest shall be applied to reduce the outstanding balance of a loan. Loan repayment amounts shall be allocated to the Participant's Account in the same investment option(s) as elected by the Participant pursuant to subsection (a) of Section 6.01. A Participant shall be entitled to prepay the total outstanding loan balance or make partial prepayment at any time without penalty.

(i) A Participant with an outstanding loan who is placed on layoff shall be entitled to:

(1) make installment payments equivalent in value to the payments deducted previously from the Participant's paycheck; or

(2) suspend loan payments for a period of up to 12 months while on layoff, provided such period does not extend beyond the maximum loan term,

(j) A Participant with an outstanding loan who is placed on a disability leave of absence must make installment payments substantially equal to the payments deducted previously from the Participant's paycheck.

(k) No earnings shall accrue to the Participant's Account with respect to the outstanding balance of any loan.

(l) In the event an active Participant fails to make a required loan payment and such failure continues beyond the last day of the calendar quarter following the calendar quarter in which the required payment was due, then the Participant's loan will be defaulted and such Participant shall be irrevocably deemed to have received

a distribution of assets in an amount equal to the remaining outstanding principal amount of and accrued interest on the loan, calculated to the date of such deemed distribution. An active Participant will not be relieved of the liability to repay a loan that is classified as a deemed distribution.

(m) In the event a former Employee, surviving spouse, or a terminated Participant (including termination due to death or retirement) fails to make a required loan payment and such failure continues beyond the last day of the calendar quarter following the calendar quarter in which the required payment was due, then the former Employee, surviving spouse, or terminated Participant shall be irrevocably deemed to have received a distribution of assets in an amount equal to the remaining outstanding principal amount of and accrued interest on the loan, calculated to the date of such deemed distribution. A former Employee, surviving spouse, or terminated Participant will be relieved of the liability to repay a loan once such loan is classified as a deemed distribution.

(n) A Participant (or beneficiary) who, prior to such Participant's repayment of the total principal amount of and accrued interest on a loan, requests or receives a settlement of assets, shall be deemed to have elected a withdrawal, pursuant to Section 6.03, equal to the principal amount of and accrued interest on the loan as of the Effective Date of Withdrawal.

(o) Any appropriate direction given to borrow assets shall be irrevocable, normally as of 4:00 p.m. Eastern Time, on the Business Day such election is received by the party designated by the Administrator.

(p) A Participant may have no more than five loans outstanding at any one time.

ARTICLE VII

TRUST FUND

7.01 Contributions to the Trustee

(a) All Deferred and After-Tax Savings under this Plan will be paid to the Trustee who shall invest all such amounts and earnings thereon.

(b) Once the Deferred and After-Tax Savings are contributed to the Trustee by the Corporation, the Corporation shall be relieved of any further liability except as otherwise may be provided by The Employee Retirement Income Security Act of 1974.

7.02 Investment Options

The Trustee is to invest in the following:

(a) Corporation's Common Stock Funds

(i) The Participants' contributions which are to be invested in the Corporation's Common Stock Funds and dividends received by the Trustee shall be deposited in the Corporation's Common Stock Funds no later than the 10th day of the month following the month such contributions or dividends are received by the Trustee and shall be invested by an investment manager, or managers, appointed by the Named Fiduciary, or its delegate, under a management agreement which specifies the terms and conditions of such Funds.

(ii) Any administrative expenses incurred, including brokerage commissions or transfer taxes, as a result of offering the Corporation's Common Stock Funds, shall be paid pursuant to Section 10.03.

(iii) Shares of common stocks held in the Corporation's Common Stock Funds acquired by the Trustee under the terms of this Plan shall be registered in the name of the Trustee, or its nominee. To the extent

that it is consistent with ERISA and the Code, the Trustee shall vote and/or tender shares (including fractions), equivalent to the Current Market Value of the assets invested in the Corporation's Common Stock Funds credited to each Participant, as instructed by the Participant, but shall not vote shares for which such instructions are not received.

(iv) If the Trustee has not received direction from Participants which can be followed in accordance with ERISA and the Code, the Trustee shall, to the extent that it is consistent with ERISA and the Code, in its discretion, exercise or sell for the benefit of Participants any rights received from General Motors Corporation for the purchase of any additional shares of stock or other securities which General Motors may offer to its stockholders.

(v) In the event that outstanding shares of the Corporation's Common Stocks shall be changed in number or class by reason of split-ups, combinations, mergers, consolidations, or recapitalizations, or by reason of stock dividends, the number and class of shares equivalent to the Current Market Value of the assets invested in the Corporation's Common Stocks which thereafter may be purchased under the Plan, both in the aggregate and as to any individual, and the number and class of shares equivalent to the Current Market Value of the assets invested in the Corporation's Common Stocks then in the Account of any Participant shall be adjusted so as to reflect such change.

(b) Mutual Funds

The Participants' contributions invested in the Mutual Funds shall be invested by the Mutual Fund company appointed by the Named Fiduciary, or its delegate, pursuant to the applicable Mutual Fund Prospectus which specifies the terms and conditions of such Funds.

(c) Promark Funds

The Participants' contributions invested in the Promark Funds shall be invested by an investment manager or managers appointed by the Named Fiduciary, or its delegate, in a Fund with specified terms and conditions.

(d) Socially Oriented Funds

The Participants' contributions invested in the Socially Oriented Funds shall be invested by a mutual fund company or companies appointed by the Named Fiduciary, or its delegate, pursuant to the applicable Fund Prospectus which specifies the terms and conditions of such Funds.

7.03 EDS Common Stock ($0.01 Par Value)

(a) The Trustee may hold in Participants' Accounts any EDS common stock distributed or to be distributed as a stock dividend. Any cash dividends received by the Trustee on EDS common stock shall be invested in the Promark Income Fund.

(b) A Participant may elect to transfer assets held in the EDS Common Stock Fund to any of the investment options specified in Section 7.02, subject to the provisions of Section 6.01(d).

(c) A Participant may elect in any withdrawal or settlement to receive cash-in-lieu of shares equivalent to the value of their assets invested in the EDS Common Stock Fund to which such withdrawal or settlement applies, based on the Current Market Value of such stock fund on the Date of Valuation for the withdrawal or settlement.

7.04 Raytheon Company Common Stock

(a) The Trustee may hold in Participants' Accounts any Raytheon common stock distributed or to be distributed as a stock dividend. Any cash dividends

received by the Trustee on Raytheon common stock shall be invested in the Promark Income Fund.

(b) A Participant may elect to transfer assets held in the Raytheon Common Stock Fund to any of the investment options specified in Section 7.02, subject to the provisions of Section 6.01(d).

(c) A Participant may elect in any withdrawal or settlement to receive cash-in-lieu of shares equivalent to the value of their assets invested in the Raytheon Common Stock Fund to which such withdrawal or settlement applies, based on the Current Market Value of such stock fund on the Date of Valuation for the withdrawal or settlement.

7.05 Delphi Common Stock

(a) The Trustee may hold in Participants' Accounts any Delphi common stock distributed or to be distributed as a stock dividend. Any cash dividends received by the Trustee on Delphi common stock shall be invested in the Promark Income Fund.

(b) A Participant may elect to transfer assets held in the Delphi Common Stock Fund to any of the investment options specified in Section 7.02, subject to the provisions of Section 6.01(d).

(c) A Participant may elect in any withdrawal or settlement to receive cash-in-lieu of shares equivalent to the value of their assets invested in the Delphi Common Stock Fund to which such withdrawal or settlement applies, based on the Current Market Value of such stock fund on the Date of Valuation for the withdrawal or settlement.

ARTICLE VIII

OTHER PROVISIONS

8.01 Non-Assignability

Except as otherwise may be provided by Section 6.06, no right or interest of any Participant under this Plan or in the Participant's Account shall be assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including, without limitation, by execution, levy, garnishment, attachment, pledge, bankruptcy, or in any other manner, except (1) in accord with provisions of a qualified domestic relations order as defined in IRC Section 414(p), (2) a Participant's voluntary assignment of an amount not in excess of 10% of a distribution from the Plan, and (3) further excluding devolution by death or mental incompetency; no attempted assignment or transfer thereof shall be effective; and no right or interest of any Participant under this Plan shall be liable for, or subject to, any obligation or liability of such Participant.

8.02 Designation of Beneficiaries in Event of Death

(a) A Participant may file with the party designated by the Administrator a written designation of a beneficiary or beneficiaries with respect to all or part of the assets in the Account of the Participant.

For a married Participant who dies, the entire balance of the Account shall be paid to the surviving spouse unless the written designation of beneficiary designating a person(s) other than the spouse with respect to part or all of the assets in the Account of the Participant includes the written consent of the spouse, witnessed by the Plan representative or a notary public. The written designation of beneficiary filed with the party designated by the Administrator may be changed or

revoked at any time by the action of the Participant and, if necessary, the spouse. No designation or change of beneficiary will be effective until it is determined to be in order by the party designated by the Administrator, but when so determined it will be effective retroactively to the date of the instrument making the designation or change.

(b) In the event an unmarried Participant does not file a written designation of beneficiaries, such a Participant shall be deemed to have designated as beneficiary or beneficiaries under this Plan the person or persons who receive the Participant's life insurance proceeds under the Corporation's Life and Disability Benefits Program for Hourly Employees, unless such Participant shall have assigned such life insurance, in which case the assets in the account shall be paid to the assignee.

(c) A beneficiary or beneficiaries will receive, subject to the provisions of Section 6.05, in the event of the Participant's death, the assets in the Participant's Account in accordance with the applicable designation. If the Corporation shall be in doubt as to the right of any beneficiary to receive any such assets, the Corporation may deliver such assets to the estate of the Participant, in which case the Corporation shall not have any further liability to anyone.

8.03 Merger or Consolidation

In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan or program, each Participant in the Plan would, if the Plan then terminated, receive the assets in each such Participant's Account immediately after the merger, consolidation, or transfer which are at least equal in value to the assets each such Participant would have been entitled to receive immediately before the merger, consolidation, or transfer, if the Plan had then terminated.

8.04 Limitations on Contributions and Benefits

(a) General Provisions

For purposes of this Section:

(i) The term "Limitation Year" shall mean the Plan Year.

(ii) All defined benefit plans or programs of the Corporation will be treated as one defined benefit plan or program, and all defined contribution plans or programs will be treated as one defined contribution plan or program.

(iii) No contribution to this Plan may exceed the limits provided under Section 404 of the Code for current deductibility for income tax purposes.

(iv) Contributions made to the trust by the Corporation pursuant to subsection (c) of Section 4.01 shall be allocated to a Participant's Account within the current Limitation Year.

(v) For purposes of this Section, the term "Compensation" shall mean compensation as defined under Section 2.07 of the Plan.

(vi) The term "Annual Additions" shall mean the sum, for any Limitation Year, of Employee contributions, Corporation contributions, and forfeitures allocated to an Employee's account under all defined contribution plans.

(b) In no event shall contributions or benefits under this Plan exceed the limits of Section 415 of the Code and the regulations thereunder.

(c) For any Employee who participates under this Plan and any defined contribution plan or defined benefit plan of the Corporation, the sum of such Employee's Annual Additions shall not exceed the lesser

of $40,000 (or such other amount prescribed by the Secretary of the Treasury applicable to the Limitation Year) or 100% of such Employee's Compensation for any Limitation Year.

(d) Any amounts elected to be contributed by an Employee pursuant to Section 5.01 of Article V which cannot be contributed as a result of the application of subsection (c) of this Article VIII shall be returned to the Employee and, if necessary, any amounts elected to be contributed by an Employee pursuant to subsections (a) or (c) of Section 4.01 of Article IV which cannot be contributed as a result of the application of subsection (c) of this Article VIII shall be returned to the Employee.

8.05 Deferred Savings Limitation

A Participant's annual Deferred Savings under this Plan and all similar contributions to other plans maintained by the Corporation may not exceed the amount permitted under Federal law (as adjusted by the Secretary of the Treasury). The following table represents the annual limits on Deferred Saving:

Annual Deferred Savings Limits

Year	Under Age 50	Catch-Up* Contributions	Age 50 or Over (Includes "Catch-Up")
2003	$12,000	$2,000	$14,000
2004	$13,000	$3,000	$16,000
2005	$14,000	$4,000	$18,000
2006	$15,000	$5,000	$20,000

* Catch-up contributions may be made for participants age 50 or over only if such participants are restricted by other limits described in this Supplemental Agreement.

In the event a Participant identifies, in writing, before March 2 following the end of the Plan Year an amount of Deferred Savings as exceeding this limitation, as applied to this Plan and all other plans in which such

Employee participated, such amounts will be refunded to the Participant no later than April 15 following the receipt of such written notice from the Participant. In the event the Administrator identifies an amount in excess of the limitation, the Participant will be deemed to have notified the Administrator, and such amount will be refunded to the Participant.

8.06 Provisions to Comply With Section 416 of the Code

(a) In any Plan Year in which the Plan is considered a "Top-Heavy Plan", as defined in Section 416 of the Code, the requirements of Section 416 of the Code, and the regulations thereunder, are applicable and must be satisfied.

(b) The definition of a "Top-Heavy Plan" set forth in Section 416(g) of the Code and the additional definitions set forth in Section 416(i) of the Code are herein incorporated by reference.

(c) If the Plan is determined to be a "Top-Heavy Plan" for a Plan Year, the Corporation shall make contributions equal to three percent of Compensation on behalf of each Participant who is not a "key employee" under Section 416 of the Code.

8.07 Investment Decisions

Any Participant or beneficiary, who makes an investment election permitted under the Plan or otherwise exercises control permitted under the Plan over the assets in the account, shall be deemed the named fiduciary under ERISA responsible for such decisions to the extent that such designation is permissible under applicable law and that the investment election or other exercise of control is not protected by Section 404(c) of ERISA, as amended.

8.08 Special Provisions Regarding Veterans

(a) In the event an Employee is rehired following qualified military service, as defined in the Uniformed Services Employment and Re-Employment Rights Act, that was effective on or after December 15, 1994, such Employee will be entitled to have the Corporation make contributions to the Plan from such Employee's current earnings that shall be attributable to the period of time contributions were not otherwise allowable due to military service. Such contributions shall be in addition to contributions otherwise permitted under Sections 4.01 and 5.01, and shall be made as permitted under this Section and Section 414(u) of the Code.

(b) Additional contributions permitted under this Section shall be based on the amount of Eligible Weekly Earnings and Profit Sharing Amount that the Employee would have received from the Corporation but for the military service, and such contributions shall be subject to the Plan's terms and conditions in effect during the applicable period of military service. Such contributions shall be made during the period that begins upon re-employment and extends for the lesser of five years or the Employee's period of military service multiplied by three.

(c) Additional contributions made under this Section shall not be taken into account in the current year for purposes of calculating and applying any limitation or requirement identified in Section 414(u)(1) of the Code. However, in no event may such contributions, when added to actual contributions previously made, exceed the amount of Contributions allowable under the applicable limits in effect during the year of military service if the Employee had continued to be employed by the Corporation.

(d) An Employee covered by this Section who has an outstanding loan(s) during the period of qualified

military service covered by this Section, shall be entitled to suspend loan payments during such period, and the time for repayment of such loan(s) shall be extended to coincide with the suspension for a period of time equal to the period of qualified military service.

8.09 Prohibition on Reversion

The Plan shall be maintained and administered for the exclusive purpose of providing benefits to Participants and beneficiaries and defraying reasonable expenses. Except as provided herein, Plan funds may not revert to the Corporation. All contributions to the Plan are conditioned on their deductibility under Section 404 of the Code at the time made. All or any part of a contribution for which a deduction is not allowed may be returned to the Corporation within one year of the date of disallowance. Further, in the event contributions are made due to a mistake or an administration error, such contributions may be returned to the Corporation within one year of the date of discovery of such mistake or error.

ARTICLE IX

EMPLOYEE STOCK OWNERSHIP PLAN PROVISIONS

9.01 The portion of the Plan that consists of Deferred Assets and After-Tax Assets that are invested in the Corporation's Common Stock Funds, including any dividends, earnings or gains thereon (the "ESOP portion" or "ESOP"), is designed to invest primarily in qualifying employer securities as defined by Section 4975(e)(8) of the Code, and is an employee stock ownership plan under Section 4975(e)(7) of the Code. This Article IX applies to this ESOP portion of the Plan.

9.02 ESOP Pre-Tax Savings Limitation

(a) The ESOP Deferred Savings percentage by the eligible Highly Compensated Employees under the Plan for a Plan Year must meet one of the following tests using the current year testing method:

(i) The actual ESOP Deferred Savings percentage of the eligible Highly Compensated Employees is not more than 1.25 times the actual ESOP Deferred Savings percentage of all other eligible Employees; or

(ii) The actual ESOP Deferred Savings percentage of the eligible Highly Compensated Employees is not more than two percentage points more than the actual ESOP Deferred Savings percentage for all other eligible Employees and is not more than 2.0 times (or, such lesser amount as the Secretary of the Treasury shall prescribe) the actual ESOP Deferred Savings percentage of all other eligible Employees.

(b) The actual ESOP Deferred Savings percentage for the eligible Highly Compensated Employees and all other eligible Employees for a Plan Year is the average of the ratios (calculated separately for each eligible Employee) of the:

(i) Amount of ESOP Deferred Savings actually paid over to the Plan trust not later than two and one-half months after the Plan Year on behalf of such eligible Employee for the Plan Year to:

(ii) The eligible Employee's Compensation for such Plan Year.

(c) The amount of ESOP Deferred Savings for a Highly Compensated Employee that exceeds the percentage limitations of subsection (a) of this Section 9.02 shall be distributed to the Participant no later than two and one-half months following the end of the Plan

Year. The amount of any such distribution shall be determined under a reasonable method selected by the Administrator under applicable tax regulations and will include any earnings attributable to the excess ESOP Deferred Savings.

9.03 ESOP After-Tax Contribution Limitation

(a) The ESOP After-Tax Contribution percentage by the eligible Highly Compensated Employees under the Plan for a Plan Year must meet one of the following tests using the current year testing method:

(i) The actual ESOP After-Tax Savings percentage of the eligible Highly Compensated Employees is not more than 1.25 times the actual ESOP After-Tax Savings percentage of all other eligible Employees; or

(ii) The actual ESOP After-Tax Savings percentage of the eligible Highly Compensated Employees is not more than two percentage points more than the actual ESOP After-Tax Savings percentage for all other eligible Employees and is not more than 2.0 times (or, such lesser amount as the Secretary of the Treasury shall prescribe) the actual ESOP After-Tax Savings percentage of all other eligible Employees.

(b) The actual ESOP After-Tax Savings percentage for the eligible Highly Compensated Employees and all other eligible Employees for a Plan Year is the average of the ratios (calculated separately for each eligible Employee) of the:

(i) Amount of ESOP After-Tax Savings actually paid over to the Plan trust on behalf of such eligible Employee for the Plan Year to:

(ii) The eligible Employee's Compensation for such Plan Year.

(c) The amount of ESOP After-Tax Savings for a Highly Compensated Employee that exceeds the percentage limitations of subsection (a) of this Section 9.03 shall be distributed to the Participant no later than two and one-half months following the end of the Plan Year. The amount of any such distribution shall be determined under a reasonable method selected by the Administrator under applicable tax regulations and will include any earnings attributable to the excess ESOP After-Tax Savings.

9.04 ESOP Special Rules

(i) In the event that this ESOP portion of the Plan satisfies the requirements of Sections 401(k), 401(m), 401(a)(4), or 410(b) of the Code only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of such sections of the Code only if aggregated with this Plan, then this Section 9.04 shall be applied by determining the actual ESOP Deferred Savings percentage of eligible Employees as if all such plans were a single plan.

(ii) The actual ESOP Deferred Savings percentage or ESOP After-Tax Savings percentage for any Participant who is a Highly Compensated Employee for the Plan Year, and who is eligible to participate in two or more arrangements described in Sections 401(k) and 401(m) of the Code that are maintained by the Corporation, shall be determined by treating all such plans as a single plan. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Sections 401(k) and 4.01(m) of the Code.

(iii) In the event the limits of Sections 9.02 or 9.03 are exceeded, then the actual ESOP Deferred Savings percentage or the actual ESOP After-Tax Savings percentage of those Highly Compensated Employees

will be reduced using the same correction procedure set forth in Sections 4.04(d)(iii) and 5.04 as needed so that the limits are not exceeded. The amount by which each Highly Compensated Employee's ESOP Deferred Savings or ESOP After-Tax Savings is reduced shall be treated as an Excess Contribution or Excess Aggregate Contribution, respectively. The actual ESOP Deferred Savings percentage or the actual ESOP After-Tax Savings percentage of the Highly Compensated Employees is determined after any corrections are made. Excess Contributions and Excess Aggregate Contributions shall be treated as Annual Additions.

9.05 Distribution of ESOP Dividends

A Participant may elect to receive cash dividends paid on shares of General Motors $1-2/3 par value Common Stock and General Motors Class H Common Stock, corresponding to the units in the General Motors $1-2/3 par value Common Stock Fund and the General Motors Class H Common Stock Fund in a Participant's Account, rather than being reinvested in the respective funds, provided the Participant gives appropriate and timely notice of such election to the party designated by the Administrator. Dividends paid directly to Participants pursuant to this Section shall be paid not later than 90 days after the end of the Plan Year.

ARTICLE X

ADMINISTRATION

10.01 Administrative Responsibility

The Investment Funds Committee of the Corporation's Board of Directors shall be the Named Fiduciary with respect to the Plan except as set forth below and in Section 8.07. The Investment Funds Committee may delegate authority to carry out such of its responsibilities

as it deems proper to the extent permitted by The Employee Retirement Income Security Act of 1974. Except as set forth in Section 8.07, General Motors Investment Management Corporation (GMIMCo) is the Named Fiduciary of this Plan for purposes of investment of Plan assets. GMIMCo may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by The Employee Retirement Income Security Act of 1974.

Pursuant to authority delegated to it by the Named Fiduciary, General Motors, or its delegate, shall have responsibility for the day-to-day operation, management, and administration of the Plan, including full power and authority to construe, interpret, and administer this Plan and to pass upon and decide cases presenting unusual circumstances in conformity with the objectives of the Plan and under such rules as General Motors, or its delegate, may establish.

Decisions of General Motors, or its delegate, shall be final and binding upon the Corporation and its employees.

10.02 Records

The Administrator shall provide for the maintenance of suitable records to reflect the separate Account balance of each Participant's contributions and any earnings thereon.

The Administrator shall make, or cause to be made, valuations of the trust fund or market value at least annually.

10.03 Administrative Expenses

Administrative expenses of the Plan shall be paid from assets liquidated pursuant to subsection (c) of Section 6.04. To the extent such expenses are not thereby paid in full, such expenses will be paid by the Corporation.

With regard to the fees for the Socially Oriented Funds and the Promark Funds (excluding the Fund currently known as the Promark Large Cap Index Fund), such fees for investment, Trustee, and management shall be paid by the Funds.

10.04 Participant Statements

Each Participant will be furnished a statement no less than four times per year showing the Current Market Value of the assets, including earnings, credited to the Participant's Account.

10.05 Incapacity

If the Administrator deems any person incapable of receiving any distribution to which such person is entitled under this Plan because such person has not yet reached the age of majority, or because of illness, infirmity, mental incompetency, or other incapacity, it may make payment, for the benefit or the account of such incapacitated person, to any person selected by the Administrator, whose receipt thereof shall be a complete settlement thereof. Such payments shall, to the extent thereof, discharge all liability of the Corporation and each other fiduciary with respect to this Plan.

10.06 Notice of Claim Denial

The Administrator will provide adequate notice, in writing, to any Participant or beneficiary whose claim for benefits under the Plan has been denied, setting forth the specific reasons for such denial.

The Participant or beneficiary will be given an opportunity for a full and fair review by the Named Fiduciary, or its delegate, of the decision denying the claim. The Participant or beneficiary will be given 60 days from the date of the notice denying such claim within which to request such review.

10.07 Confidential Information

The Administrator, or its delegate, shall be responsible for ensuring that sufficient procedures are in place and followed to safeguard the confidentiality (except to the extent necessary to comply with federal laws or state laws not pre-empted by ERISA) of information relating to the purchase, holding, and sale of securities, and the exercise of voting, tender, and similar rights with respect to such securities by Participants and beneficiaries. If deemed necessary by the Administrator, due to potential for undue employer influence with regard to exercise of shareholder rights, an independent party will be appointed by the Administrator to carry out instructions of Participants or beneficiaries relating to such rights.

ARTICLE XI

AMENDMENT, MODIFICATION, SUSPENSION, OR TERMINATION

11.01 Amendment, Modification, Suspension, or Termination

The Corporation reserves the right, by and through its Board of Directors, or its delegate, to amend, modify, suspend, or terminate the Plan, but any such action shall have no retroactive effect which would prejudice the interests of the Participants.

11.02 Distribution Upon Plan Termination

In the event of termination or partial termination of the Plan without establishment of a successor plan, the Administrator may direct the Trustee to:

(a) continue to administer the trust fund and pay Account balances in accordance with Section 6.04 to Participants affected by the termination of the Plan upon their termination of employment, or to beneficiaries

upon such a Participant's death, until the trust fund has been liquidated; or

(b) distribute as soon as administratively feasible the assets remaining in the trust fund in a lump sum to Participants and beneficiaries in proportion to their respective Account balances.

(c) In the event of termination, or partial termination, or a complete discontinuance of contributions under the Plan, the account balance of each affected Participant will be non-forfeitable.

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

As discussed during these negotiations, this will confirm our understandings that for purposes of Article II, Section 2.25 of the Plan, the definition of "Employee" will include all hourly persons employed by Manual Transmissions of Muncie, LLC formerly New Venture Gear, Muncie, Indiana.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties renewed their commitment to provide ongoing training programs for Company and Union Benefit Representatives so as to improve the quality of service provided to hourly employees. The parties also recognized the importance of communications programs aimed at educating employees about their benefits.

It was agreed that such training and education programs will be developed jointly, and the cost of developing and implementing such programs properly will be paid from the National Joint Skill Development and Training Fund as approved by the Executive Board for Joint Activities. These include, but are not limited to, the following:

- Joint GM-UAW Benefits Training Conference may be scheduled upon approval by the parties.
- Continuing education program for Union Benefit Representatives will be provided by the parties. Training sessions will be scheduled for newly appointed Union Benefit Representatives and Alternates as agreed to by the parties. The sessions will concentrate on areas such as eligibility to receive benefits, description and interpretation of benefit plan provisions, and calculation of benefits.

- Conduct periodic on-site plant surveys and audits to evaluate training and education needs to improve employee service.
- Ad hoc training meetings on legal developments or other special needs.

Included also are any travel, lodging, and living expenses incurred by Company and Union representatives in relation to the above. In addition, the Fund will pay for lost time (eight hours per day base rate plus COLA) of Union Benefit Representatives attending such programs away from their locations. The Company will pay for the time (eight hours per day base rate plus COLA) of alternate Union Benefit Representatives who replace those attending such programs.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties recognized the need to move ahead with the development of technological applications to improve the quality of service provided to hourly employees.

1. The parties recognized the need to provide the necessary tools to Local Union Benefit Representatives so that they may improve the service they are providing to hourly employees. Local Union Benefit Representatives require basic information that can be accessed quickly in order to confidently and accurately answer many of the questions they receive. Therefore, the parties have designed a process, the Benefits Data Access System, whereby Local Union Benefit Representatives have access to certain data elements from several benefit data systems. The Benefits Data Access System provides inquiry only access to Local Union Benefit Representatives who complete a computer training program. Access is limited to information for UAW hourly employees at their particular location.

2. The parties jointly will develop and implement a new benefit documentation feature to the existing Benefits Data Access System that will be available to Local Union Benefit Representatives. The system will include benefit plan booklets, administrative manuals (where applicable),

relevant contract provisions, and appropriate process descriptions. Upon approval by the Executive Board of Joint Activities, the cost of development, hardware and software requirements, conversion of written documentation, and installation and training, will be charged to the National Joint Skill Development and Training Fund. It is contemplated the benefit documentation feature will be implemented during the term of the 2003 Agreement.

3. The parties further agreed to provide hourly employees with web technology in addition to the continued use of a Voice Response System for inquiry and transactions in the Personal Savings Plan.

4. The parties agree to enhance the Benefit Data Access System to provide the Pension Plan survivor coverage election/rejection and the cost of such survivor option. The cost of development and implementation will be charged to the National Joint Skill Development and Training Fund.

In conclusion, during the term of the new Agreement, the parties pledge to carefully consider every opportunity to improve the quality and efficiency in benefits delivery.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, GM agreed to provide for a Roth IRA in the PSP beginning January 1, 2006, that would be consistent with legal and regulatory guidelines.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the Corporation's willingness to continue to make available to hourly employees during non-working time the two Fidelity Workshops titled, the Investment Education Workshop and the Getting Ready for Retirement Workshop. Such workshops may be scheduled upon the request of the local Union and Management leadership. The parties recognize the importance of educating employees on the Personal Savings Plan.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the ability of employees and retirees to purchase additional General Motors Common Stock, $1-2/3 par value, with no load outside of the Personal Savings Plan.

The Corporation informed the Union of the availability of the General Motors Dividend and Cash Investment Plan, and the Union agreed that this Plan satisfactorily addressed their request.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the Union's interest in a more active role in understanding the direction of the Personal Savings Plan (PSP). To this end, the parties agreed that General Motors Asset Management (GMAM) and Fidelity would make an annual presentation to the Union on the PSP. The review will include such things as:

- Plan Participation
- Account Status and Activity
- Average Participant Account Balance
- Amount of Assets in Available Investment Options
- Promark Fund Performance
- Fidelity Fund Performance
- Fund and Plan Expenses

The parties will discuss the current array of funds, their performance and any recommendation for changes. At the joint request of the parties, GMAM will review funds and other future directions and report its recommendations to the parties.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the loan repayment process for those Personal Savings Plan (PSP) Participants who are not actively at work.

The parties agreed that those PSP Participants who are not actively at work would receive information about establishing an Electronic Funds Transfer (EFT) with their loan coupon book. Participants will have the option of repaying their loans through the convenience of EFT or via mail by using their loan coupon book.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the process for Employees to defer Suggestion Award Payments into their Personal Savings Plan (PSP) account. It was noted that Employees currently have the ability to defer their Suggestion Award Payments, up to the maximum Plan contribution rate.

The Union requested that Employees be permitted to defer up to 100% of their Suggestion Award Payments into the PSP. The parties discussed the payment process for Suggestion Award Payments with the expectation of implementing a lump sum deferral feature of 100% of such payment into the PSP, up to the annual IRS dollar limits.

The implementation date of the PSP deferral feature on Suggestion Award Payments will commence on or before January 1, 2005. This is due to the programming requirements for the Payroll System as well as the establishment of necessary financial and administrative processes, including a separate deferral election for an Employee's Suggestion Award.

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Attn: Mr. Richard Shoemaker
Vice President and Director
General Motors Department

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the Union's interest in communicating information regarding 529 College Savings Plan(s) to hourly Employees. To this end, the parties agreed that General Motors will prepare a communication brochure intended to inform hourly Employees on the advantages of establishing a 529 College Savings Plan(s).

The decision to participate in a 529 College Savings Plan(s) will be on a voluntary basis handled directly between the employee and the plan's respective provider. It is clearly understood that neither General Motors nor the Union will have any administrative or fiduciary responsibility with regard to these 529 College Savings Plan(s).

Very truly yours,

GENERAL MOTORS CORPORATION

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

NOTES

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Vol. 9

Supplemental Agreement

Covering

UAW-GM LEGAL SERVICES PLAN

9/7/04

33 pp

Exhibit I

to

AGREEMENT

between

GENERAL MOTORS CORPORATION

and

UAW

September 18, 2003

(Effective October 6, 2003)

-9/14/07

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EXHIBIT I — 2003 SUPPLEMENTAL AGREEMENT BETWEEN GENERAL MOTORS CORPORATION AND THE UAW (LEGAL SERVICES PLAN)

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TABLE OF CONTENTS (Cont'd.)

EXHIBIT I

SUPPLEMENTAL AGREEMENT

(Legal Services Plan)

SUPPLEMENTAL AGREEMENT
LEGAL SERVICES PLAN

UAW-GM LEGAL SERVICES PLAN FOR UAW REPRESENTED HOURLY EMPLOYEES OF GENERAL MOTORS CORPORATION IN THE UNITED STATES

Section 1.

1.01 Establishment of Plan.

The UAW-GM Legal Services Plan for UAW Represented Hourly Employees of General Motors Corporation in the United States, hereafter "Plan", is established and restated, as set forth herein, for the purpose of providing certain specified, personal legal service benefits to Participants in accordance with section 120 of the Internal Revenue Code of 1986, as amended. The Plan covers only legal services arising under the laws of the United States, or any state, commonwealth, district, territory or any political subdivision thereof. Canadian legal matters are to be handled pursuant to the letter, on that subject, attached to this agreement.

Section 2.
Definition of Terms

The following definitions will apply to all words and phrases capitalized in the text which follows:

2.01 Assistant Director means an individual, nominated by the Director, and appointed by the Committee, who is responsible for administering the Plan in a given functional or geographic area, under the supervision of the Director.

2.02 Attorney means an individual licensed to practice law in the relevant State(s) and/or jurisdiction(s).

2.03 Benefits means the specified, personal legal services and related items, including but not limited to, court costs, filing fees, deposition and discovery, which are necessary and appropriate to the particular legal representation or proceeding provided pursuant to this Plan.

2.04 Committee means the Administrative Committee, as provided for in Section 3 of this Plan.

2.05 Cooperating Attorney means an Attorney, other than a full or part-time employee of the Plan, who has contracted with the Plan to provide one or more Benefits to Participants.

2.06 Corporation means General Motors Corporation, a Delaware corporation, and all its wholly-owned or controlled subsidiary, domestic corporations.

2.07 Covered Dependent means individual(s) related to an Employee or Retiree in any of the following ways:

(a) **Spouse** means the individual currently married to a Participant under the laws of the relevant jurisdiction. A spouse by common-law marriage is a Covered Dependent only where such a relationship with the Employee or Retiree is recognized by the laws of the jurisdiction, otherwise not.

(b) **Domestic Partner** means individuals so defined and eligible for benefits under the GM-UAW Health Care Program.

(c) **Surviving Spouse** means an Employee's or Retiree's spouse who survives him/her, and who is eligible for surviving spouse benefits under the General Motors Hourly Rate Employees Pension Plan or transition, bridge or health insurance benefits under the

Supplemental Agreement covering Insurance Program Incorporating the General Motors Insurance Program Agreement. A dependent of a Surviving Spouse is eligible only if a Covered Dependent of the deceased Employee or Retiree.

(d) **Dependent Children**, provided they meet the requirements of this subsection:

(i) Personal Status - the child must be the child of the Employee or Retiree, or of an Employee's or Retiree's spouse, by birth, legal adoption, or legal guardianship;

(ii) Age - the child must not have reached the end of the calendar year in which the child becomes age 25;

(iii) Marital Status - the child must be unmarried;

(iv) Residency - the child must reside with the Employee or Retiree, as a member of such Employee's or Retiree's household or, if not a member of the household, such Employee or Retiree must be legally responsible for the child (e.g., child of divorced parents, legal ward, child confined to training institution, child in school);

(e) **Other Dependents** means other individuals who are dependents of an Employee or Retiree as defined under Section 152 of the Internal Revenue Code;

Eligibility under (ii) above ceases at the end of the calendar year in which the child becomes age 25, unless prior to such date the child has been determined to be totally and permanently disabled. For the purposes of this subsection "totally and permanently disabled" shall mean having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can

be expected to result in death or be of long-continued or indefinite duration, provided that each disabled child who has reached the end of the calendar year in which he/she attained 25 years of age must legally reside with or be a member of the household of the Employee or Retiree and must be dependent upon the Employee or Retiree.

For the purposes of this Section, children of the Employee or Retiree shall include the after-born child of an Employee or Retiree.

2.08 Director means the individual appointed by the Committee, who is responsible for administering the Plan, set out in Section 3.01(e) of this Plan.

2.09 Employee means any individual who is actively employed by the Corporation on an hourly basis, or who retains seniority rights under the terms of the GM-UAW National Agreement, in the United States, and who is also a member of the bargaining unit as defined in said National Agreement, represented by the Union.

2.10 ERISA means the Employee Retirement Income Security Act of 1974, 29 U.S.C. §1001, et. seq., as amended from time to time.

2.11 Named Fiduciary means the Administrative Committee of the Plan. The Committee may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by the Employee Retirement Income Security Act of 1974.

2.12 Fund means the fund of assets established and maintained to provide Benefits under the Plan, as set out in the Funding Instrument and Section 6 of this Plan.

2.13 Funding Agency means the trustee(s), including ancillary trustee(s), if any, or both, individually or collectively, which has undertaken to hold and invest the assets of the Fund and pay benefits, directly or indirectly, under this Plan.

2.14 Funding Instrument means the trust instrument(s) undertaken by the Funding Agency, including ancillary trust agreement, if any.

2.15 Legal Worker means any individual, other than an Attorney or clerical employee, who is employed by the Plan, either on a full or part-time basis, to assist a Staff Attorney or Cooperating Attorney in providing Benefits.

2.16 Plan means the UAW-GM Legal Services Plan for UAW Represented Hourly Employees of General Motors Corporation in the United States as set forth herein.

2.17 Participant means an Employee, Retiree, and/or Covered Dependent, as defined in this Section 2.

2.18 Retiree means any individual who was formerly an Employee, who is eligible for benefits, other than a deferred pension, under the GM-UAW Pension Plan, as amended from time to time.

2.19 Staff Attorney means an Attorney, employed by the Plan on a full or part-time basis, other than a Cooperating Attorney.

2.20 Union means the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW).

2.21 Personnel Administrator means an individual nominated by the Director, and appointed by the Committee, who is responsible for functions assigned by the Director, and performed under the supervision of the Director.

Section 3.
Administration

3.01 Allocation of Power and Duties. The Plan shall be administered by the following, who shall have the powers and duties specified herein and none other:

(a) Union: name and monitor its members of the Committee, as provided in 3.02 below.

(b) Corporation: name and monitor its members of the Committee, as provided in 3.02 below.

(c) Independent Member: act as Chair of the Committee, and carry out such other responsibilities as may be delegated by the Union and Corporation Members of the Committee.

(d) Committee: The Committee shall have such powers and duties, not otherwise assigned by this Section, as are necessary for proper administration of the Plan, including, but not limited to, the following:

(i) Select, appoint, remove, direct, and monitor the Director.

(ii) Receive the Director's nomination(s) for Assistant Director(s), and Personnel Administrator(s) and select, appoint, and remove Assistant Director(s), and Personnel Administrator(s).

(iii) Provide a mechanism, as set out in 3.03 below, for review and adjudication of the appeal of individuals dissatisfied with the actions of the Director, Assistant Director(s), or any representative of the Plan.

(iv) In its sole discretion, establish limitations of any Benefit, but may not expand benefits beyond those specified in Section 5 below.

(v) Prescribe uniform rules and regulations, consistent with the provisions of this Plan, for

determining an individual's eligibility for Benefits, and for determining whether a claimed Benefit is covered or not.

(vi) Prescribe uniform procedures to apply for Benefits under the Plan, and for furnishing evidence necessary to establish entitlement to such Benefits.

(vii) In its discretion, prescribe uniform procedures for evaluating Benefit usage under the Plan, and collecting data thereon.

(viii) Either directly or by delegation, request disbursement from the Fund in accordance with provisions of the Plan and the Funding Instrument, and receive such disbursements. Establish and maintain such depository and other accounts as may be required.

(ix) Receive a report, not less frequently than quarterly, together with an annual report, from the Director on the operation and status of the Plan.

(x) Receive a report, not less frequently than annually, from the Funding Agency on the status of the Fund.

(xi) Prescribe geographic locations and procedures for providing benefits under the Plan.

(xii) Delegate any of the above powers and duties in such manner as the Committee considers necessary and proper.

(e) Director: In addition to those delegated by the Committee, the Director shall have the following powers and duties.

(i) Act as the chief executive officer of the Plan.

(ii) When duly authorized, take such action in the name of the Plan or the Committee as is necessary to administer the Plan.

(iii) Keep the books and records of the Plan and, not less frequently than annually, cause those books to be audited by an independent Certified Public Accountant.

(iv) Prepare, file and provide to relevant Participants, all required documents and forms in the manner and with the frequency required by law and regulation thereunder.

(v) Receive applications for Benefits under the Plan.

(vi) Make initial determination of eligibility for and amount of Benefits.

(vii) Prepare, and recommend to the Committee an annual budget for the Plan.

(viii) Prepare, and present to the Committee quarterly and annual reports on the operation and status of the Plan.

(ix) Recommend Assistant Directors and Personnel Administrator to the Committee for appointment.

(x) Select and hire, under procedures approved by the Committee, a financial officer(s), all necessary Staff Attorneys, Legal Workers, clerical personnel, and such other personnel as are necessary for the operation of the Plan.

(xi) Negotiate and enter into contracts with Cooperating Attorneys, under such terms and conditions as the Committee may set.

(xii) Implement procedures, as appropriate, for evaluating Benefit usage under the Plan. Advise and inform the Committee on patterns of Benefit usage. Recommend changes which may be helpful in delivering Benefits and otherwise accomplishing the purposes of the Plan.

(f) Assistant Director(s) and Personnel Administrator: Assistant Director(s) and Personnel Administrator, when appointed, shall have such powers and duties as the Director, with the authorization of the Committee, may delegate.

(g) Funding Agency: The powers and duties set out in 6.01 hereof, as more fully specified in the Funding Instrument.

3.02 Structure and Operation of the Committee. The Committee shall have the following structure and functions:

(a) Appointment: The Committee shall consist of three (3) members appointed by the Corporation (Corporate Members); three (3) members appointed by the Union (Union Members); and, as Chair of the Committee, an Independent Member mutually satisfactory to the Corporation and the Union. Either the Corporation or Union may appoint alternate member(s). The Union may remove any Committee Member, or alternate, appointed by it. The Corporation may remove any Committee Member, or alternate, appointed by it. Any receipt of written notification by the remaining removal or appointment shall be effective upon members of the Committee.

(b) Compensation: Union and Corporate members of the Committee will serve without compensation from the Plan. The compensation of the Chair will be paid by the Plan, and will be set by majority vote of the Committee. The Plan will procure the appropriate fiduciary duty, errors and omissions, and related insurance coverage for Committee members, administrative personnel and Staff Attorneys, but only to the extent and on the conditions allowable by ERISA. The Plan will bear the cost of such insurance coverage.

(c) **Quorums and Decisions:** To constitute a quorum at any Committee meeting, at least two (2) Union Members and two (2) Corporate Members shall be present. At all Committee meetings, the Corporate Members shall have 3 votes and the Union Members shall have 3 votes. The vote of any absent or abstaining member shall be equally divided between the other members present appointed by the same party. Decisions of the Committee shall be by majority of votes cast and the result shall be final and binding. In the event of a tie vote, the Chair shall cast the deciding vote.

(d) **Frequency of Meetings:** The Committee shall meet not less frequently than quarterly. Formal minutes of Committee meetings shall be prepared and kept.

(e) **Requests of Funding Agency:** The Committee shall not request disbursements from the assets of the Fund unless the disbursement is pursuant to the provisions of the Plan.

(f) **Limitation on Authority:** The Committee shall have no power to add to, subtract from, or modify any of the terms of this Plan, or to waive or fail to apply any requirement of eligibility for a Benefit under the Plan, except as provided by the Plan. In particular, the Committee shall have no authority to modify or delete any of the exclusions set out in Section 5.04. The Committee shall have discretion, however, with respect to the initial implementation of the Plan as set forth in Section 5.01.

(g) The Committee shall have the discretionary authority to determine eligibility for benefits and to construe the terms of the Plan, subject to the limitations expressed in Section 3.02(f).

3.03 Appeal Procedure. Any Participant who, for any reason, is dissatisfied with any action or inaction of a Staff Attorney, Cooperating Attorney or Legal Worker in

connection with the Plan has a right to complain in writing to the appropriate Assistant Director, who shall within 30 days prepare a proposed written decision and forward it, with the complaint, to the Director for approval or revision. The Director shall, within 20 days, furnish the Participant with a copy of his written decision. A Participant who is dissatisfied with the Director's decision may, within 30 days after the date of the decision, appeal to the Administrative Committee. Appeals shall be in writing and shall specify the reasons claimed to justify a reversal or modification of the Director's decision. Initially, the Committee shall review the merits of any appeal if a majority of the Committee members vote to do so. The Committee may, however, by majority vote, adopt procedures governing the handling and types of appeals which it will review. If the Committee chooses not to review an appeal, the decision of the Director shall be final and binding on all parties, and the Director shall so notify the Participant in writing. If the Committee decides an appeal, the Director shall give the Participant written notice of the Committee's decision, which shall be final and binding on all parties.

3.04 Responsibility of Co-fiduciaries. Each Fiduciary may rely upon any such direction, information or action of another Fiduciary as being proper under this Plan and is not required to inquire into the propriety of any such direction, information or action.

3.05 No Enlargement of Rights. The Corporation's and the Union's rights under existing collective bargaining agreements shall not be affected by reason of any of the provisions of this Plan.

3.06 Administration. The Committee shall be the "Administrator" of the Plan as that term is defined in ERISA.

Section 4. Eligibility

4.01 Eligible Persons. The following individuals shall be eligible to receive the Benefits set out in Section 5, provided the individual makes timely and adequate application therefor:

(a) Employees with at least ninety (90) days of seniority, provided however that eligibility ceases for any such employee who has been continuously laid off for a period exceeding twenty-four (24) months after the month in which his/her layoff began.

(b) Covered Dependents, including Spouses, Surviving Spouses, and Domestic Partners of Employees eligible under 4.01(a), provided however eligibility shall continue for one (1) year after the death of the employee, Surviving Spouse or the Domestic Partner.

(c) Retirees and their Covered Dependents, including Spouses and Surviving Spouses.

4.02 Loss of Seniority. Any otherwise eligible Employee who has lost seniority under the terms of the GM-UAW National Agreement shall not be eligible to receive Benefits under this Plan. If such an Employee is reinstated and reacquires seniority, his/her eligibility, if any, shall resume on the effective date that such employee reacquires seniority. However, eligibility of such an individual shall not terminate while a grievance regarding loss of seniority is being pursued by the Union under the said National Agreement.

Section 5. Benefits

5.01 Covered Benefits.

(a) Categories: Subject to the limitations and exclusions of this Section, the Plan will provide the Benefits set out in Table A to all Participants who meet the eligibility requirements of Section 4 above.

TABLE A

Category 1:
- Social Security Disability Suspensions or Terminations
- Other Social Security Claims
- Veterans Benefits Claims
- Food Stamp or Other Public Assistance Claims
- Medicare Appeals

Category 2:
- Moving Violations
- Other Traffic Offenses, other than Parking Violations

Category 3:
- Misdemeanor
- Juvenile Offenses

Category 4:
- Divorce, Separation, Annulment, Dissolution, Maintenance and Child Custody
- Guardianships
- Probate Proceedings
- Wills, Codicils and Trusts
- Adoption or Legitimization of Child
- Termination of Parental Rights (excludes cases where criminal charges are involved)
- Name Changes

Non-Support and Alimony
Naturalization, Immigration and Deportation

Category 5:
Defense of Collection Action on Personal or Family Debts
Defense of Garnishment
Repossession and Replevin
Personal Bankruptcy

Category 6:
Consumer Complaints and Warranty
Contracts for Goods and Services
Insurance Claims or Loss of Coverage

Category 7:
IRS Audits and Administrative Proceedings
Federal, State or Local Claim to Taxes

Category 8:
Tenant Representation
Leases on Personal or Family Residence
Property Damage, Real and Personal
Real Estate Closing on Family or Personal Residence
Other Real Estate on Family or Personal Residence, including Purchase, Sale, Mortgage, Foreclosure, Boundary Dispute, Title Dispute, Zoning, and Eminent Domain Property Tax Assessment Dispute

5.01

(b) Services:

(i) All, including litigation. All required legal services, including litigation, and any costs of litigation, shall be provided for the following:

From Category 1:
Social Security Disability Suspensions or Terminations

Social Security Disability Applications and Subsequent Appeals for Workers (See Letter of Understanding)
Medicare Appeals

From Category 4:
Uncontested Divorces, Uncontested Custody, Uncontested Non-Support, and Uncontested Alimony (Full Service Is Available for Each Such Benefit - Only in Jurisdictions Where Attorneys Are Required to Appear to Finalize Proceedings)
Post-Divorce Modification of Child Support Orders or Alimony Orders (Full Service Is Only Available for Modification of an Order Solely Because of a Material Change in the Participant's Earnings from the Corporation)
Guardianships
Probate Proceedings
Wills, Codicils and Trusts
Adoption or Legitimization of Child
Termination of Parental Rights (excludes cases where criminal charges are involved)
Name Changes

All of Category 5.

All of Category 6.

From Category 7:
IRS Audits and Administrative Proceedings (administrative appearances only)

All of Category 8.

(ii) Appeals. Appeals shall be provided for matters within Categories 5 and 6. Upon approval of the Committee, appeals may be provided for cases in the following categories or subcategories:

From Category 1:
Social Security Disability Suspensions or Terminations

From Category 4:
Guardianships
Probate Proceedings
Wills, Codicils and Trusts
Adoption or Legitimization of Child
Termination of Parental Rights (excludes cases where criminal charges are involved)
Name Changes

All of Category 8.

(iii) Office Work Only: Work by an Attorney, in his/her office, shall be provided for all Categories listed in Table A.

(iv) Referral Benefit. As to any category or subcategory listed in Table A, which does not fall under 5.01(b)(i) above, the Plan will provide a referral to a Cooperating Attorney. In such a case, if the Participant accepts the referral, the office work benefit under 5.01(b)(iii) above ends, and the Participant will pay the Cooperating Attorney at the rates set out in the Cooperating Attorney Agreement.

5.01 Covered Benefits.

(c) Special Benefit:

(1) The Plan will provide Office Work Only services described below to Employees, Retirees, Spouses, Surviving Spouses and the related persons set forth in Paragraph (218b) of the General Motors-UAW National Agreement solely for the purposes of preparing for, or dealing with, the incapacity or death of the Mother, Father, Step-mother, or Step-father of an Employee, Retiree, Spouse or Surviving Spouse.

(2) For purposes of this 5.01(c), Office Work Only services will be provided for the following Category 4 benefits: Guardianships, Probate Proceedings, Wills, Codicils, Trusts, and all Category 8 benefits.

(3) When a related person set forth in Paragraph (218b) of the General Motors-UAW National Agreement is requesting services under this section, said related person, the Employee, Retiree, Spouse, or Surviving Spouse, and if applicable, the Mother, Father, Step-mother or Step-father, after full and adequate disclosure, must provide prior written consent to the representation delivered under this 5.01(c), and waive any actual or potential conflict of interests as required by applicable law.

(4) Section 5.01(c) shall be effective March 1, 2000.

5.02 Benefits Delivery. Benefits shall be provided solely through Staff Attorneys, Cooperating Attorneys and Legal Workers.

5.03 Discretionary Limitations. Notwithstanding 3.02(f), any Benefit provided under 5.01, and not excluded under 5.04 shall be subject to such general and prospective limitations as the Committee, in its sole discretion, may impose on either a permanent or temporary basis. The Plan shall not provide, nor shall it be liable for Benefits in excess of such limitations.

5.04 Exclusions. Notwithstanding 5.01 above, the Plan shall not provide Benefits, or in any other manner pay for the following:

(a) Any proceeding against the Corporation, its subsidiaries, its dealers, or any of its officers or agents;

(b) Any proceeding against the Union, any of its subordinate or affiliated bodies, or the officers, or agents of such, or against any labor organization representing employees of the Corporation;

(c) Any proceeding where the Union itself would be prohibited from defraying the costs of such legal services by the provisions of the Labor-Management Reporting and Disclosure Act of 1959. Any proceeding arising under the National Labor Relations Act, as amended, or under the Labor-Management Relations Act, as amended;

(d) Fines and penalties, whether civil or criminal;

(e) Any judgment for civil damages;

(f) Any action pending on or before April 1, 1983;

(g) Legal services which are not personal legal services within the meaning of Section 120 of the Internal Revenue Code of 1986, as amended;

(h) Any proceeding involving another eligible Participant as an adverse party, unless the Participants are separately represented.

(i) Non-legal costs attendant to the purchase or sale of real estate;

(j) Matters involving election laws, or warrant to any civil office;

(k) Workers Compensation or Unemployment Compensation matters involving the Corporation;

(l) Any bankruptcy proceeding that would result in discharge of a debt owed to the Corporation, the Union, or any benefit plan or trust established or maintained by the Corporation;

(m) Any dispute involving the Plan; and

(n) Proceedings against any benefit plan or arising out of any benefit plan established or maintained by the Corporation, including proceedings against any trust or insurance carrier through which such benefits are provided to the Corporation, its employees or retirees.

5.05 Coordination of Benefits. The Plan shall not be liable to provide Benefits in any matter to the extent that the Participant has a right to substantially identical benefits under the terms of an insurance contract, or any other legally-enforceable arrangement. Where multiple coverage results under this Plan by reason of the relation of two (or more) Participants, the Plan shall only be liable for one set of Benefits. If any insurance contract or any other legally enforceable arrangement exists, the services under this Plan shall be secondary to such other coverage.

5.06 Non-alienation of Benefits. Assignment, pledge or encumbrance, of any kind, of benefits under this Plan shall not be permitted or recognized under any circumstances. Nor shall benefits be subject to attachment or other legal process for debts of Participants, or Covered Dependents. Upon notice of any such assignment or attachment of any kind, the Benefit shall automatically terminate and thereafter may be applied by the Committee, in its discretion, for the benefit of the Participant or Covered Dependent.

5.07 No Vested Rights. This Plan creates no vested rights of any kind. No Participant, nor any person claiming through him/her, shall have any right, title or interest in or to the Fund, other property of the Plan, or part thereof.

Section 6.
Financing

6.01 Fund. The Fund shall be held by a corporate trustee(s) or Bank(s), under a Funding Instrument(s). The Corporation shall select the Funding Agency(s), and there shall be an appropriate Funding Instrument. The Fund will consist of the monies transferred to it from the Corporation. The Funding Agency shall retain all assets of the Fund, including investment income, if any, for the exclusive benefit of Participants or to pay administrative expenses of the Plan. The assets of the Fund, including investment income, shall never revert to or inure to the benefit of either the Corporation, the Union, or any named Fiduciary.

6.02 Contributions. The Corporation will make available for funding the Plan, the balance of fund accruals over expenditures at the end of the 1999 GM-UAW National Agreement term, plus an amount equal to 7.2 cents per hour worked during the term of the 2003 GM-UAW National Agreement. However, should the Fund balance, including the carry-over balance, decline to three (3) million dollars according to Corporation accrual and expenditure records, the 7.2¢ accrual will increase to 14.0¢ until the Fund balance reaches ten (10) million dollars, at which time the accrual rate will revert to 7.2¢. This fluctuating accrual method will continue during the term of the 2003 GM-UAW National Agreement. The Corporation will transfer monies to the Fund on a monthly basis in an amount sufficient to handle the administration of the Plan. Should the Committee judge the assets of the Fund inadequate, the Director will immediately implement measures to conserve the remaining assets and the Corporation and the Union will meet expeditiously to resolve this issue in a manner that provides continuation of full services.

Section 7.
Merger, Amendment or Termination of Plan

7.01 Modify, Amend, or Terminate the Plan. The Corporation and Union, by mutual agreement, may modify, amend, or terminate the Plan, in whole or in part.

7.02 Allocation of the Fund on Termination. Provided that the assets of the Fund are adequate, no termination shall deprive a Participant of legal representation in a matter pending in a court or administrative agency on the date of termination. Rather, the Committee shall, if possible, make appropriate arrangements for the representation of the Participant to the conclusion of the matter, or for one (1) year following the date of termination, whichever is lesser. The Plan shall have no liability for representation of the Participant beyond that period. If the assets of the Fund are not adequate to provide such post-termination representation, the Committee shall prorate the Benefits based on the available assets, after deducting necessary administrative expenses.

7.03 Residual Amounts on Termination. In the event of total termination of the Plan, after allocation of the Fund under 7.02 and payment of necessary administrative expenses, any residual assets in the Fund shall be applied by the Committee for the purpose of providing to Employees any benefits described in Section 501(c)(9), 501(c)(17), and/or 501(c)(20) of the Internal Revenue Code, or any successor provisions then in effect. In no event shall the assets of the Fund revert to or inure to the benefit of the Corporation, the Union, or the Named Fiduciary.

7.04 No Additional Liability. Upon termination of the Plan, the Benefits payable shall be only such as can be provided by the assets of the Fund when distributed pursuant to this Section.

7.05 IRS Qualification. This Plan's Funding Instrument(s), shall be, and remain, exempt under Section 501(a), as an organization or trust described in Section 501(c)(9) or 501(c)(20) of the Internal Revenue Code. The Corporation and Union shall make any amendments which are required by the Internal Revenue Service to keep the Plan so qualified.

7.06 Duration. This Plan shall continue in full force and effect during the term of the current GM-UAW National Agreement.

IN WITNESS WHEREOF, we have set our hands and seals this 18th day of September, 2003, at Detroit, Michigan.

GENERAL MOTORS CORPORATION

By _____

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW)

By _____

Richard Shoemaker
Vice President and Director,
General Motors Department

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During current negotiations, the parties again agreed that the UAW-GM Legal Services Plan provides valued benefits and has received overwhelming employee *acceptance. They expressed satisfaction* that the escalating costs of delivering Plan benefits have been restrained during the current Agreement term, but recognized that without such restraints the ability to *maintain present high benefit levels and quality of* services might have been jeopardized. In order to continue to avoid those consequences, the parties jointly renewed their pledge that through their *participation on the Plan Administrative Committee,* they will provide the Director and Chairman of the Plan with strong unified direction that cost containment efforts and policies are to be among their highest *priorities in administering the Legal Services Plan and* to support such measures when they are proposed and implemented.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During our current negotiations, the Corporation and Union again discussed the fact that the UAW-GM Legal Services Plan provides benefits only in matters arising under law(s) in the United States, and that certain Participants, as defined by the Plan may have legal matters covered by the Plan, except that they arise under law(s) in Canada.

The parties discussed the concern that such Participants may have special tax and legal implications and that certain legal services in Canada may cost substantially more than the same services in the United States.

Accordingly, it was agreed that legal services will be provided under the existing Plan for matters arising under Canadian law(s), provided that the cost of providing a specified benefit in Canada is limited to the cost of providing that benefit in the United States and that the reimbursement of a Participant(s) or Cooperating Attorney(s) does not exceed the amount that would be paid a United States attorney for the same matter. Such "coverage" will be limited to the Canadian equivalent of United States legal matters covered by the Plan. The Director of the Legal Services Plan will be advised of these discussions and directed to establish a reimbursement model or case-by-case direct payment system which implements these

understandings, including, if necessary, a pre-determination process.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

Accepted and Approved:

INTERNATIONAL UNION,
UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, UAW

By: Richard Shoemaker

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

During these negotiations, the parties discussed the formalization of the UAW-GM Legal Services Plan which will provide preparation assistance and representation before the Social Security Administration for employees who have applied for and been denied Social Security Disability Insurance Benefits. It was pointed out that since 1987, pursuant to the Statement of Intent attached to Exhibit B to the Collective Bargaining Agreement, the Metropolitan Life Insurance Company, acting on behalf of General Motors, has arranged to have such assistance provided by outside vendors on a limited case-by-case basis where the facts of the case indicate a reasonable chance of reversing the Social Security denial and the employee has:

(1) properly applied for and been denied such benefits at the Initial and Reconsideration steps of the Social Security claim process;

(2) agreed in writing to allow the Social Security Administration to release necessary information to General Motors and the Metropolitan Life Insurance Company; and

(3) agreed to repay the equivalent of such benefits advanced during the process.

During their discussions, the parties considered that similar assistance might be provided in such selected cases in a more cost effective manner by the Plan. Accordingly, it is agreed that the plan will provide such

assistance, utilizing a centralized case intake system and Plan Attorney(s) exclusively. It is also agreed that Metropolitan Life Insurance Company will:

(1) select, in conjunction with the Director or his designee, the cases for which legal services would be provided;

(2) notify the employees whose cases are selected; and

(3) furnish the Plan copies of medical and other pertinent information to be utilized by the Plan in the development of each case.

The plan will also provide for maintaining records which permit the evaluation of the effectiveness of the project by the parties and Metropolitan. At a minimum, such records would include the number of cases referred to the Plan by Metropolitan, the number of cases where representation is declined and the reasons therefor, the hours of legal services expended, costs involved, and the results.

Further it is understood by the parties that any cases which the UAW-GM Legal Services Plan declines, is unable or fails to pursue in a timely fashion may be referred by Metropolitan Life Insurance Company to other firms not associated with the Plan.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

GENERAL MOTORS CORPORATION

September 18, 2003

Mr. Richard Shoemaker
Vice President and Director
General Motors Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Shoemaker:

Re: Legal Services Plan - Additional Funding

This confirms the understanding reached during these negotiations regarding additional funding under the UAW-GM Legal Services Plan. If, during the term of the 2003 Agreement, the Corporation and Union determine that the assets of the Fund are inadequate, the Corporation will transfer such additional monies to the Fund as are necessary to provide for continued operation of the Plan and the provision of full benefits for the term of the 2003 Agreement.

Very truly yours,

Troy A. Clarke
Group Vice President
Manufacturing & Labor Relations

NOTES